TMF Holdings Limited

A Tata Enterprise

Annual Report F.Y. 2021-22

BOARD OF DIRECTORS

Mr. Nasser Munjee,
Independent Director & Chairman

Mr. P. S. Jayakumar,
Independent Director

Mrs. Vedika Bhandarkar,
Independent Director
(Retired w.e.f. July 30, 2021)

Mrs. Varsha Purandare,
Independent Director
(Appointed w.e.f. June 16, 2021)

Mr. P.B. Balaji,
Non-Executive Director

Mr. Shyam Mani,
Non-Executive Director

Mr. Dhiman Gupta,
Non-Executive Director
(Appointed w.e.f. May 24, 2022)

Mr. Samrat Gupta,
Non- Executive Director
(Appointed as MD & CEO w.e.f. April 01, 2021 and later stepped down as MD & CEO and continuing as NED w.e.f. May 24, 2022)

MANAGER & KMP
Mr. Anand Bang
(Appointed w.e.f. May 24, 2022)

CHIEF FINANCIAL OFFICER
Ms. Ridhi Gangar

COMPANY SECRETARY
Mr. Vinay Lavannis

STATUTORY AUDITORS

M/s. B S R & Co. LLP (Resigned w.e.f. October 20, 2021 pursuant to RBI Guidelines)

M/s. Sudit K. Parekh & Co. LLP, Chartered Accountants (appointed w.e.f. Q3 FY 2021-22)

CORPORATE INDENTIFICATION NUMBER (CIN)
U65923MH2006PLC162503

REGISTERED OFFICE

14, 4th Floor, Sir H.C. Dinshaw Building 16,Horniman Circle, Fort, Mumbai-400001

Tel: +91 22 68484900

Website: www.tmf.co.in

CORPORATE OFFICE

TMF Holdings Limited,

I-Think Lodha Techno Campus, Building A, 2nd Floor, Off Pokharan Road 2,

Thane (West)- 400601
Tel: +91 22 6181 5400
Fax: +91 22 6181 5700

REGISTRAR AND SHARE TRANSFER AGENT

TSR Consultants Private Limited
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai-400083
Website: www.tcplindia.co.in/ E-mail Id: psampat@tcplindia.co.in
Tel: +91 22 6656 8484, Fax: +91 22 6656 8496.

BANKERS

HDFC Bank Limited

DEPOSITORIES

Central Depository
Services (India) Limited

National Securities Depository
Limited

DEBENTURE TRUSTEES

IDBI Trusteeship Services Limited

Ground Floor, Asian Building,
17, R Kamani Road, Ballard Estate,
Fort, Mumbai, Maharashtra 400001
Tel: +91 22 022 4080 7000;
Fax: +91 22 66311776
e-mail: gaurav.jeswani@idbitrustee.com
web: www.idbitrustee.com

LISTED AT (Debt Securities)

National Stock Exchange of India Limited
(NCDs and CP Listed)

TMF HOLDINGS LIMITED

DIRECTORS' REPORT

MARCH 31, 2022

To,
THE MEMBERS
TMF HOLDINGS LIMITED

The Directors feel privileged to present the 16th Annual Report on the business and operations of the company and the statement of accounts for the year ended March 31, 2022.

1. BACKGROUND

TMF Holdings Limited (herein after referred as 'TMFHL' or 'Company'), is a subsidiary company of Tata Motors Limited.

The Company registered itself as 'Systemically Important, Non-Deposit taking Non-Banking Finance Company' (NBFC) and classified as Core Investment Company (CIC- ND- SI) vide registration No. N-13.01836 dated October 11, 2017.

The Company holds investments in two operating companies (a) Tata Motors Finance Limited which is primarily engaged in the business of new vehicle financing of vehicles manufactured by Tata Motors Limited and its subsidiaries; and (b) Tata Motors Finance Solutions Limited (TMFSL) which is primarily engaged in Used Vehicle Finance and lending to dealers and suppliers of Tata Motors Limited (corporate lending business).

2. ECONOMIC AND INDUSTRY OVERVIEW

Economic Overview:
The financial year FY22 began with the unprecedented and ferocious second wave of pandemic hitting the economy hard in its first two months, impeding the momentum gained in Q4 of FY21. However, accelerated pace of vaccination drive, release of pent-up demand in the festive season, boost to investment activity from government's focus on infrastructure, asset monetization and accommodative monetary and liquidity conditions aided the economy. The ongoing geopolitical crisis has however heightened the uncertainty clouding global macroeconomic and financial landscape even as the world economy struggles to recover back from the pandemic. As the conflict escalates, oil and other commodity prices are breaching multiyear highs.

While Q4 began with possible risks emanating from a third wave, rapid abatement of the wave allowed for quick lifting of restrictions. The decline in COVID-19 cases bolstered confidence and re-invigorated demand for contact-intensive services and boosting jobs in this segment. Industrial sector didn't get impacted much from the third wave. Daily average generation of e-way bills scaled new peak in Feb-22. Sharp recovery was witnessed in mobility around retail and recreation. Petrol sales and domestic air passenger traffic, proxies for mobility and services consumption, also saw a sharp recovery in YoY growth rates in Feb-22. Rupee ranged between Rs 73-77 per USD mark during the year while forex reserves at March end stood at about ~ USD 618 billion. It is expected that the average CPI inflation to rise to 5.6% in FY23 from 5.4% in FY22 led by higher commodity prices and a weaker Rupee. Real GDP growth is expected to moderate to 7.2% in FY23, with elevated commodity prices posing downside risks.

Automotive Industry overview:

The commercial vehicle (CV) industry which was brought to its knees by the first wave of pandemic has since been on the road to recovery with gradual reopening of economy. Despite the second wave of COVID infections and re-imposition of lockdowns this summer, trucking industry which is a leading economic indicator was not hurt the same way as it was in the same period a year ago as markets remained partially operational. Factors positive for CVs demand slowly fell in place with improved utilisation, robust rentals, waning effect of higher axle load norms on higher tonnage commercial vehicles and the scrappage policy, all which came together as strong tailwinds. MHCV sales improved sequentially with the rise in e-commerce, agriculture, infrastructure, and mining activities. Besides, steady rise in e-way bills (that indicates road freight movement) and GST collections supported a rise in demand for CVs.

Auto sector's road to recovery remained bumpy with geopolitical tensions causing disruptions in supply chain, sharp jump in commodity and fuel costs to name a few. However, factors like strong demand and hope of improvement in semiconductor supplies continues to be the silver lining. There are early signs of recovery in rural demand. Strong output in Rabi crops coupled with robust realization has led to good cash flows in the hands of farmers. Demand for working capital loans for MSME's is gradually increasing. Demand for MHCV is led by strong replacement demand from organized fleet operators. LCV demand however is yet to pick up. Enquiries for ICVs continues to be strong. Demand is skewed more towards CNG vehicles. The automotive sector remains one of the key beneficiaries of the PLI scheme announced by the Government which aims at a future-ready and globally competitive Indian auto sector, by fast-tracking investments in technology and components where India needs to leapfrog.

NBFC Sector Overview:

Over the past decade, Indian auto finance industry has witnessed multiple ups and downs in its business cycles. The period from 2010 to 2012 was characterised by strong growth which was followed by a down-cycle over 2012-14 due to ban on mining in some states. Since 2019, the new regulations on axle-load norms and the pandemic took its toll. Despite these headwinds, the industry grew more than three times to Rs 7.5 trillion over the past decade. With the brutal impact of second wave in first two months of the fiscal, collection infrastructure literally shut shop and loan repayment collections fell by 15%-20%. Fresh disbursals reached only ~65% - 70% because of reduced vehicle sales in the first part of the FY22.

A CRISIL Research study, aptly summarised the three major headwinds faced by auto NBFCs viz., (a) intensifying competition from banks flushed with liquidity, have sharpened focus on retail loans, which are the mainstay of NBFCs; (b) GNPAs are expected to increase, primarily because of the recent regulatory clarification in recognition norms and, to some extent due to slippages from the restructured book and (c) funding access is yet to fully normalise for some of the players. Some good pockets of growth are visible. Supply side constraints in new vehicle segments have pushed up demand for used vehicles. While cost has gone up, better freight availability and improving rates seem to have cushioned large fleet operator's profitability. Good monsoon prospects, better harvest and normalizing rural demand will aid better performance.

One visible speed-breaker would be the impact of recent increase in rates by RBI. Though long due, the regulator suddenly changed stance post FY22 year end. The intervention came in effect with inflation levels continuously hovering above the acceptable levels. The geopolitical tensions, its impact on the crude oil prices and the continued accommodative stance taken by RBI to support growth took its toll on overall prices. The key monitorable will be the strategy that will be put in place by financiers to tackle the situation.

3. FINANCIAL RESULTS

(Rs. in Crore)

Particulars	F.Y. 2021-22	F.Y. 2020-21
Total Income	315.29	157.52
Less: Finance Costs	256.39	240.02
Impairment of financial instruments and other assets	0	0
Employee benefits expenses	0.10	4.88

Expenditure	4.39	3.78
Depreciation / Amortization	0.80	1.36
Profit Before Exceptional Item	**53.61**	**(92.52)**
Exceptional item	-	-
Profit Before Tax	**53.61**	**(92.52)**
Less: Tax Expense	-	17.42
Profit After Tax	**53.61**	**(109.94)**
Other comprehensive income	(0.03)	0.04
Total comprehensive income for the year	**53.58**	**(109.90)**
Balance brought forward from previous year (distributable)	134.70	316.83
Amount Available for Appropriations	**188.28**	**206.93**
Appropriations		
Statutory Reserve*	10.72	-
Dividend on equity shares	110.51	-
Issue Expenses in Perpetual Debentures	38.84	72.23
Surplus carried to Balance Sheet	**28.21**	**134.70**

*The Company has transferred 20% of the Net profit after taxes i.e., Rs. 10.72 crore to Statutory Reserve created pursuant to the provisions of the RBI Act, 1934.

4. DIVIDEND

The Company has not declared dividend for FY 2021-22 on Equity Shares and Compulsory Convertible Preference Shares of the Company to retain Capital.

5. TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit for financial year 2021-22 in the statement of profit and loss except the mandatory transfer to statutory reserves pursuant to the provisions of the RBI Act, 1934.

6. OPERATIONS

The Company is primarily engaged in business of granting of loans, guarantees and other forms of finance to, leasing and making of investments in securities of Tata Motors group companies and to carry such other activities as may be permitted under the CIC guidelines. During the year, the Company recorded a total income of Rs. 315.29 crore (as against Rs 157.52 for the corresponding period of previous year) and profit before tax of Rs. 53.61 crore (loss before tax of Rs 92.52 in FY21).

7. PERFORMANCE OF SUBSIDIARIES

Tata Motors Finance Limited (TMFL)

During the financial year 2021-22, the Company recorded new vehicle disbursals of Rs. 11,666 crores registering an increase of 31% in comparison to 2020-21 disbursals of Rs. 8,875 crores. The Company financed overall 84,310 units of vehicles as compared to 82,874 units in FY 2020-21, registering a growth of 2% YoY.

Commercial Vehicle financing contracts increased by 24% to 79,814 units in FY 2021-22 as compared to 64,524 units in FY 2020-21.

On the Passenger Vehicle (PV) side of business, with customer segment for Tata Motor vehicles shifting from commercial users to personal users, the company decided to exit from regions where banks were dominating the lending space with finer rates and focused only on regions where business viability supported. The focus in the selected regions was to lend on balance sheet of partnering banks and earn upfront fee income. On account of this change in market strategy, PV disbursals dropped by 76% to 4,496 units as compared to 18,350 units in FY 2020-21.

During FY 2021-22, the company also disbursed Rs. 241 crores under Emergency Credit Line Guarantee Scheme (ECLGS) as against Rs. 1,916 crores in FY 2020-21.

During the financial year ended March 31, 2022, the Company earned a total income of Rs. 3,852.65 crores as compared with Rs. 4,021.78 crores in FY 2020-21. Loss before tax (LBT) for the current year came at Rs. 96.90 crore as against Profit before tax (PBT) of Rs. 219.11 crores in FY 2020-21 and loss after tax of Rs. 26.74 crore as against profit after tax of Rs. 249.68 crores for the corresponding period of previous year.

Tata Motors Finance Solutions Limited (TMFSL)

The Company earned a total income of Rs. 1,048.34 crores with a profit before tax of Rs. 238.79 crores for the year ended March 31, 2022. Net interest income for the year grew by 36% year on year.

Overall used vehicle disbursals in the current year stood at Rs 3,843 crores (31,784 units) against Rs 2,467 crores (27,787 units) in the corresponding period last year. Overall IRR for FY22 was at 14.54% as against 14.81% in FY21. Continuous efforts were made to scale up business through non-DSA and non-Dealer channels along with attractive incentive schemes which acted as a catalyst for improved performance during the year.

Corporate Lending Group (CLG) book of the Company grew from Rs. 1,710 crores in March-2021 to Rs 2,393 crores in March-2022. As compared to Mar-21, short term book grew by 110% and stood at Rs 1,614 crores, driven by enhanced inventory funding for off take of vehicles and traction gained in invoice financing facility launched during the year for vendors of Tata Motors and Tata Marcopolo. Long term book stood at Rs 779 crores in March-2022 as against Rs 942 crores in March-2021. Long term loans also included ECLGS loans disbursed during the period amounting to Rs 94 crores.

A separate statement, containing the salient features of the Financial Statements of the subsidiaries and associate/ joint venture of the Company, in accordance with the provisions of the Companies Act, 2013 (“the Act”) and the applicable Accounting Standards, in the prescribed Form No. AOC-1, is included in this Report as Annexure-1.

8. FINANCE

The weighted average cost of borrowings for the year ended March 31, 2022 was 9.10% per annum on average borrowings of Rs. 2,701 crore. The total borrowings as of March 31, 2022 stood at Rs. 2,455.52 crore comprising mainly of Non-Convertible Debentures and liability portion of compound financial instruments.

The Debt / Equity ratio as on March 31, 2022 was 0.42:1 times.

The Company complies with all the regulatory ratios applicable to Core Investment Company (CIC) as prescribed under the RBI Guidelines.

9. CREDIT RATING

The ratings assigned to the Company in respect of borrowings are as follows:

No.	Instrument	CRISIL	ICRA	CARE
1.	Commercial Paper	CRISIL A1+	ICRA A1+	CARE A1+
2	Short Term Bank Facility	NA	NA	CARE A1+
3	Long Term Bank Facility	NA	ICRA AA-/ Stable	CARE AA-/ Stable
4	Non-Convertible Debenture	CRISIL AA-/ Stable	ICRA AA-/ Stable	CARE AA- /Stable
5	Perpetual Bonds	CRISIL AA-/ Stable	NA	NA

10. SHARE CAPITAL

As on March 31, 2022, the Authorised Share Capital of the Company was Rs.3250,00,00,000 (Rupees Three Thousand Two Hundred and Fifty Crore) and Paid-Up Share Capital was Rs.2082,28,34,420/- (Rupees Two Thousand Eighty-Two Crores Twenty-Eight Lakhs Thirty-Four Thousand Four Hundred and Twenty). There has been no change in share capital during the year.

11. NUMBER OF MEETINGS OF THE BOARD

Twelve (12) meetings of the Board were held during the year under review. For details of meetings of the Board, please refer to the Corporate Governance Report, which forms part of this report.

12. COMMITTEES OF THE BOARD

The Company has constituted following Committees of the Board of Directors:

a. Audit Committee;
b. Nomination and Remuneration Committee;
c. Corporate Social Responsibility Committee;
d. Risk Management Committee;
e. Assets Liability Supervisory Committee;
f. Stakeholders Relationship Committee;
g. IT Strategy Committee.

The details including composition of the committee (terms of reference, attendance) are included in the Corporate Governance Report, which is a part of this report.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company, being a Non-Banking Finance Company is exempt from the provisions as applicable to loans, guarantees, security and investments under Section 186 of the Act. Therefore, no details are provided.

14. INFORMATION TECHNOLOGY/ DIGITAL STRATEGY OF TMF GROUP

A Comprehensive digital strategy has been laid out to drive transformation across the value chain targeting a better experience for its customers, Channel Partners, Dealers and Leverage the new age product companies as our partners to support our aspiration to be the preferred life time financier, meeting all the financing needs of its customer helping him grow form a FTU to a Fleet owner.

15. HUMAN RESOURCES PRACTICES IN TMF GROUP

Human resources played an integral role to drive a performance-oriented work culture and improve organizational effectiveness while helping to align strategy and achieve business success. Key focused interventions / initiatives implemented during FY 21-22 are:

- TMF's focus was on building a collaborative culture. This was enabled by various means like enabling talent for high productivity, automate systems, and implement business HR services for better efficiency.
- TMFs Employee Engagement Score (EES) stood at 96% breaking all bars.
- Employee safety continuous to be the priority. Various safety initiatives were undertaken and work from home was encouraged during the 3rd wave and strict roaster & safety guidelines were followed at the regions.
- Competency based talent management practices are adopted wherein the Job Descriptions (JDs) were refined and also created role based functional competency dictionary. This was also integrated in various HR processes like:
    1. Recruitment - Competency based hiring
    2. Learning & Development (L&D) – Competency based training

iii. Performance management system (PMS) – Competency based role assessment and feedback

- Designed and implemented succession planning framework for creating talent pipeline.
- Career development opportunities widened for employees. Publishing the vacancy on internal job posting “Aspire” made mandatory for all N-3 (three levels below MD & CEO) roles before hiring externally.
- Being an online learning partner, Learning Universe – a digital library was launched. The courses are available 24*7 for all which enables every employee to have equal access and opportunity to grow.
- In order to enhance the productivity & increasing effectiveness, we brought the 48* to 24* culture (One KPA) which helped amplify the performance oriented culture defining the BSCs which are linked to TMF strategy map and quarterly PPIs for business employees.
- Enhanced the manpower planning approach for better productivity in each department.
- One-on-one connect with Zonal Business Heads and Regional managers to understand the pulse of the region.

16. COMPLIANCE & REGULATORY FRAMEWORK

The Company has complied with all applicable laws, rules, regulations, guidelines, including the regulations issued by RBI and SEBI and it does not carry on any business or activity other than as permitted by RBI. The regulatory landscape has undergone a considerable change and there is increased regulatory supervision.

RBI, on October 22, 2021 introduced Scale Based Regulatory Framework for NBFCs, where NBFCs will be classified into different layers, based on their size, activity, and complexity. Basis the classification of NBFCs, enhanced regulatory requirements in relation to capital, governance and prudential regulation will need to be complied with. These guidelines shall be effective from October 01, 2022.

Further in order to strengthen the supervisory tools applicable to NBFCs, RBI has put in place Prompt Corrective Action (PCA) Framework, which will enable regular intervention at appropriate time which require NBFCs to initiate and implement remedial measures in a timely manner, so as to restore its financial health. PCA framework will be applicable to all deposit taking NBFCs and middle, upper and top layers of Non-Deposit Taking NBFCs effective from October 1, 2022, based on the financial position of NBFCs on or after March 31, 2022.

With a view to ensure uniformity in the implementation of IRACP norms across all institutions, RBI issued a circular dated 12th November 2021 pertaining to asset classification of NBFCs, whereby certain aspects such as classification of an account as Special Mention Account (SMA) and Non-Performing Asset (NPA) were harmonized with banks.

These are some of the key regulations that RBI has issued with a view to level the playing field and attain regulatory convergence between Banks and NBFCs. With good governance practices in place, TMF Group is ready to steer through the changing regulatory environment and increased supervision.

17. REGULATORY ACTION

There are no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and operations of the Company in future.

18. DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

19. EXTRACT OF THE ANNUAL RETURN

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the Annual Return in Form MGT-7 for FY 2021-22 is available on the website of the Company, www.tmf.co.in/Investor-zone/.

20. ACCOUNTS AND ACCOUNTING STANDARDS

The financial statements for the year ended March 31, 2022 are prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (the “Act”).

21. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company being a Non-Banking Finance Company (NBFC) and not being involved in any industrial or manufacturing activities, there is no material information on technology absorption to be furnished. The Company continues to adopt and use the latest technologies to improve the efficiency and effectiveness of its business operations.

Foreign Exchange earned in terms of actual inflows during the year under review was Nil and the Foreign Exchange Outgo during the year under review in terms of actual outflow was Nil.

22. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the F.Y. 2021-22, following changes took place in Board of the Company:

i. Mrs. Varsha Purandare (DIN: 05288076) has been appointed as an Independent Director of the Company for a period of 5 years with effect from June 16, 2021 and shareholders at their Annual General Meeting held on August 31, 2021 have confirmed her appointment..
ii. Mrs. Vedika Bhandarkar retired as an Independent Director w.e.f July 30, 2021 after completion of 2nd term.

As on March 31, 2022, the Board of Directors of the Company comprised of three Independent Directors namely Mr. Nasser Munjee, Chairman, Mr. P. S. Jayakumar and Mrs. Varsha Purandare, two Non-Executive Directors namely Mr. P. B. Balaji and Mr. Shyam Mani and Mr. Samrat Gupta, Managing Director and CEO.

Mr. Dhiman Gupta (DIN: 09420213) has been appointed as an Additional Director to be designated as Non-Executive Director of the Company with effect from May 24, 2022 subject to approval of the shareholders at the ensuing General Meeting.

Mr. Samrat Gupta who was appointed as Managing Director & CEO (KMP) of the Company with effect from April 01, 2021 has stepped down as Managing Director & CEO (KMP) to comply RBI Directions and continuing as Non-Executive Director with effect from May 24, 2022.

Mr. Anand Bang has been appointed as a Manager (KMP) of the Company with effect from May 24, 2022 till March 31, 2025 subject to approval of the shareholders at the ensuing General Meeting.

In accordance with the requirements of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Shyam Mani is liable to retire by rotation at this Annual General Meeting and is eligible for re -appointment.

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as independent directors of the Company. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The Directors have also disclosed their fit and proper status in accordance with the guidelines of RBI. The Board is of the opinion that the independent Directors of the Company has the required integrity, expertise, and experience (including the proficiency).

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

Pursuant to the provisions of Section 203 of the Act, as on March 31, 2022, the key managerial personnel of the Company were Mr. Samrat Gupta, Managing Director & CEO, Ms. Ridhi Gangar, Chief Financial Officer and Mr. Vinay Lavannis, Company Secretary.

23. EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of independent directors, performance of non-independent directors, the board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent directors.

24. POLICY ON APPOINTMENT OF DIRECTORS & REMUNERATION POLICY AND OTHER DETAILS

The Nomination and Remuneration Committee (NRC) develops the competency requirements of the Board based on the industry and strategy of the Company and recommends the reconstitution of the Board, as and when required. It also recommends to the Board, the appointment of Directors having good personal and professional reputation and conducts reference checks and due diligence of all Directors, before recommending them to the Board. Besides the above, the NRC ensures that the new Directors are familiarised with the operations of the Company.

The company has adopted the Remuneration Policy for Directors, Key Managerial Personnel, and other employees of the Company pursuant to the provisions of Section 178(3) of the Companies Act, 2013 and Tata Group Corporate Governance Guidelines, copy whereof is placed on the website of the company i.e. www.tmf.co.in.The Policy on Board Diversity and Director Attributes has been framed to encourage diversity of thought, experience, knowledge, perspective, age, and gender in the Board. The Remuneration Policy for Directors, Key Managerial Personnel and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The Remuneration Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and all other employees is reasonable and sufficient to attract, retain and motivate them to successfully run the Company.

Salient features of the Remuneration Policy, inter alia, includes:

- Remuneration in the form of Sitting Fees and Commission to be paid to Independent Directors and Non-Independent Non-Executive Directors, in accordance with the provisions of the Act and as recommended by the NRC;
- Remuneration to Managing Director/Executive Directors/KMP and all other employees is reasonable and sufficient to attract, retain and motivate them to run the Company successfully and retain talented and qualified individuals suitable for their roles, in accordance with the defined terms of remuneration mix or composition; and
- No remuneration would be payable to Directors for services rendered in any other capacity unless the services are of a professional nature and the NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession and approval of the Central Government has been received, if required, for paying the same.

The Company has also adopted a 'Fit and Proper' Policy for ascertaining the 'fit and proper' criteria at the time of appointment of directors and annually pursuant to the RBI Master Directions for NBFCs.

25. INTERNAL AUDIT FUNCTION

Amid volatility and elevated uncertainties, TMF Group's ability to take risks and manage them efficiently is a key factor of business success. TMF Group's has devised appropriate systems and frameworks including automated Internal Financial Controls framework, Enterprise-Wide Risk Management framework, Fraud Control Unit, detailed Delegation of Authority, effective IT systems aligned to business requirements, a robust Legal compliance and Ethics framework and a Whistle Blower mechanism to manage its risks and ensure achievement of its strategic and business objectives. Internal Audit helps the Company accomplish its objectives by providing an independent appraisal of the adequacy and effectiveness of these

Governance, Control and Risk Management processes set up by the Management. The function provides an independent and objective assurance, advice and insight to the management on all aspects of risk and controls.

The Internal Audit Function has adopted a Risk Based Internal Audit Framework in accordance with RBI Guidelines to NBFC to enhance the quality and effectiveness of their internal audit systems and processes. It enables Internal Audit Function to broadly assess and contribute to the overall improvement of the Organization's Governance, Risk Management and Control processes using a systematic and disciplined approach.

Overview of Enhancement basis RBI Circular-

- New Risk Based Internal Audit policy created, with demarcation of roles and responsibility of three lines defense, Senior Management and Audit Committee of the Board
- Enhanced detailed Internal Audit procedural manual providing guidance on all steps of an Audit life cycle
- Development of Risk Based Internal Audit Plan basis Risk Assessment Models for Zones, Business Process and IS Audits considering Inherent Risk, Control Risk and Additional Quantitative parameters as per RBI Circular
- Enhanced Observation Rating Methodology and Audit Report Rating Approach

The Chief Internal Auditor of the Company is appointed by the Audit Committee and Board of Directors. The position reports functionally to the Chairman of the Audit Committee of the Board and administratively to Mr. Samrat Gupta Managing Director & CEO. Under the guidance of the Chief Internal Auditor, the Internal Audit Department evaluates the adequacy and effectiveness of Governance, Risk Management and Controls basis a risk based Internal Audit plan approved by the Audit Committee covering both corporate functions and branch operations.

The Audit Committee of the Board reviews the status of Internal Audit Plan achievement and the issues and recommendations highlighted in the Internal Audit reports on a periodic basis in the presence of the management. The Internal Audit reports are discussed and recommendations for improving the risk and control environment are implemented in a time bound manner. The Internal Audit function of the Company also reviews and ensures that the audit observations are acted upon on a timely basis.

During the current financial year, M/s. Protiviti Consulting and Acies Consulting LLP, have been appointed to support the Internal Audit Department for conducting Audit of Corporate Functions. M/s. JSG & Associates, M/s. John & Julian, M/s. KSP & Associates and M/s. Joshi Gadgil & Company have been appointed for conducting Physical Audit of Branch Operations.

26. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal controls for ensuring the orderly and efficient conduct of the business, including adherence to the Companies' policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. The Company has adopted 'Committee of Sponsoring Organizations (COSO) 2013' as its internal controls framework which covers all the essential components of internal controls as stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India and as required by the Companies Act, 2013.

Company has adopted Tata Motors Group's 'One Control Framework' and controls testing for the TML Group entities is performed by Group Control Tower (GCT). The Group uses a tool (called 'Highbond') for documenting risk and controls and even for testing of controls.

Based on results of assessment of the design and operating effectiveness of the controls, Company has determined that Company's Internal Financial Controls were adequate and effective during the financial reporting as of March 31, 2022.

27. RISK AND CONCERNS OF TMF GROUP AND SUBSIDIARY COMPANIES

Tata Motors Finance Limited:

The Company recognizes the importance of risk management on account of increased competition, market volatility and impact of COVID on the financial services business. The Company regularly reviews all the Key risks prioritized for Management as a part of its enterprise risk management framework with Risk Management Committee of Directors. By design, the Company caters to some high risk profile customers. The Company has a well-developed and robust credit appraisal process which is reviewed from time to time, as required, to address any regulatory changes in the financial sector.

The Asset Liability Supervisory Committee of Directors continued to closely monitor mismatches of assets liabilities and the Risk Management Committee of Directors oversees the management of the integrated risks of the Company.

For the financial year 2021-22, the Company took conscious decision to do restructuring and offer ECLGS loans to stressed customers due to COVID as per govt. norms offered through various dispensation schemes. Risk scoring model (RSPM) has been effectively leveraged for sourcing lower-risk profiles. The Company has a well-developed and robust credit appraisal process which is reviewed from time to time, as required, to address any regulatory or other changes in the financial sector. Well defined norms and approval escalation processes are in place for approving credit. Behavioral scorecards and recovery models have been comprehensively used to decide collection strategy on all delinquent cases. Gross Non Performing Asset (GNPA) & Net Non-Performing Asset (NNPA) charge have been optimized while prioritizing repossessions and vehicle-sale using advanced collection analytics. Implementation of the sourcing & collections initiatives using analytics has started showing positive results in delinquency & Non Performing Asset (NPA) charge.

The Company is a strong user of analytics and has invested significantly in human capital and technology in the area of analytics. Risk scoring models are deployed for sourcing and collections. Necessary tools and software have been deployed in the last year to enhance the analytical capabilities of the organization, a team of qualified statisticians and domain experts are engaged in developing necessary statistical models and analysis from time to time. The analytical capabilities of the organization have driven less manual intervention in decision making. In addition, analytics have driven standardization of processes leading to improved customer satisfaction.

Tata Motors Finance Solutions Limited:

The Company recognizes the importance of risk management on account of increased competition and market volatility in the financial services business. The Company regularly reviews all the key risks prioritized for Management as a part of its enterprise risk management framework with Risk Management Committee of Directors.

As a business strategy, the Company is into financing Used vehicles and extending credit facilities to TML Dealers & Vendors. The company provides comprehensive array of financial products on both these transactions. The Company faces challenges from increased competition, lack of benchmarks on used vehicle product risk parameters, external factors which can impact the viability of transport operations, and possible pressure on maintaining the asset quality. The Company has in place suitable mechanisms to effectively reduce and manage these risks. The Company has a well-developed and robust credit appraisal process which is reviewed from time to time, as required, to address any regulatory or other changes in the financial sector. Well defined norms and approval escalation processes are in place for approving credit.

The Asset Liability Supervisory Committee of Directors would closely monitor mismatches of assets liabilities and the Risk Management Committee of Directors would oversee the management of the integrated risks of the Company.

28. ENTERPRISE RISK MANAGEMENT

The Company has structured approach towards Enterprise Risk Management (ERM) and has put a four themed approach to address the enterprise risk. They are:

- Financial risk
- Operational risk
- Strategic risk
- Hazard Risk

Over the years, the risks pertaining to financial and strategic risk to the Company have been managed in a systematic manner including a strong governance mechanism. The Company has strengthened the operational risk management by putting a formal Operational Risk Management (ORM) framework in place. Under this framework various operational risks are identified though a self-assessment process. The identified risks are then categorized in terms of criticality based on their impact and vulnerability. These risks are monitored on a periodic basis by adopting Key Risk Indicator (KRI) approach. The Company has deployed “Risk Monitor” (“Application”), an online platform to monitor and review the operational risks.

29. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

As required under Section 177 of the Companies Act, 2013, the Board has adopted the Whistle-Blower Policy which provides a formal mechanism for all employees of the Company to approach the Management/ Audit Committee and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. No employee of the Company has been denied access to the Audit Committee. The Whistle Blower Policy of the Company is placed on the website of the company i.e. www.tmf.co.in.

30. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under for prevention and redressal of complaints of sexual harassment at workplace. The Company received NIL complaints on sexual harassment during the year. As a proactive measure, to sensitize and build skill of Internal Complaints Committee (ICC) members on POSH guidelines, all ICC members went through a training program facilitated by an external faculty.

31. STATUTORY AUDITORS

The shareholders at the Annual General Meeting of the Company held on July 26, 2017 had appointed M/s. B S R & Co. LLP, Chartered Accountants as Statutory Auditors of the Company from Q2 FY 2017- 18 onwards till the conclusion of AGM for FY 2021-22. However, the existing Statutory Auditors had resigned due to operation of the guidelines issued by the Reserve Bank of India -RBI/2021-22/25- Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021. As per the said guidelines, they had completed their term of appointment and accordingly ceased as Statutory Auditors of the Company.

Pursuant to RBI Circular No. 2021-22/25 dated April 27, 2021, the Board of Directors of the Company at their meeting held on October 20, 2021 has approved and recommended to shareholders the appointment of M/s Sudit K Parekh & Co. LLP, Chartered Accountants, (Firm Registration No. 110512W/W100378) as Statutory Auditors of TMF Holdings Limited commencing from Q3 FY 21-22 and will hold the office until the conclusion of the Annual General Meeting of the Company to be held in the year 2024 and the shareholders of the Company at their Extra-Ordinary General Meeting held on December 01, 2021 has approved the said appointment.

32. SECRETARIAL AUDITORS

The Board of Directors at its meeting held on May 11, 2021 has appointed M/s.SG & Associates, Practicing Company Secretary as Secretarial Auditor of the Company in terms of the provisions of section 204 of the Companies Act, 2013 for conducting the secretarial audit of the Company for the F.Y. 2021-22. Secretarial Audit report issued by M/s. SG & Associates, Practicing Company Secretary, forming part of the Directors' Report for the year ended March 31, 2022 is enclosed as Annexure "2" to this Report.

33. EXPLANATION ON STATUTORY AUDITOR'S REPORT AND SECRETARIAL AUDIT REPORT

There is no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors in their Reports on the Financial Statements of the Company for FY 2021-22. Further, the secretarial audit report also does not contain any qualifications, reservations, or adverse remarks or disclaimer for the F.Y. 2021-22.

34. INFORMATION ON MATERIAL CHANGES AND COMMITMENTS

There are no material changes or commitments affecting the financial position of the Company which have occurred between March 31, 2022 and May 24, 2022, being the date of Board Report.

35. RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed on the Company's website at www.tmf.co.in All contracts / arrangements /

transactions entered by the Company during the financial year with related parties were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Details of Related Party Transactions, as required to be disclosed by Indian Accounting Standard –24 on "Related Party Disclosures" specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, are given in the Notes to the Financial Statements. Further, there were no transaction requiring disclosure under section 134(3)(h) of the Act. Hence, the prescribed Form AOC–2 does not form a part of this report.

36. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report prepared in accordance with the Part C of Schedule V of SEBI Listing Regulations forms part of this Report and attached as Annexure-3 along with following certificates/declarations:

- Compliance certificate by Practicing Company Secretary for compliance of Corporate Governance during the period under review as required under Part E - Schedule V of SEBI Listing Regulations

- Certificate by Practicing Company Secretary pursuant to Schedule V Part C clause (10)(i) of the SEBI Listing Regulations

- Declaration from Managing Director & CEO / Chief Financial Officer in respect of financial statements and Cash Flow Statement (pursuant to regulation 17 (8) of SEBI Listing Regulations for the financial year ended March 31, 2022

- Declaration by Managing Director & CEO on Code of Conduct as required under Part D- Schedule V

37. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory auditors and secretarial auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2021-22. Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

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

38. JOURNEY TOWARDS BUSINESS EXCELLENCE IN TMF GROUP

TMF has designed its own Business Excellence Program (TBEP) customized to its needs and is code named as "Pinnacle". This encapsulates all excellence related activities to be undertaken by each function. It is reviewed and improved every year. This program is built on five foundational pillars –

- Effective Process designing and measures tracking
- Rigorous Process Implementation

- Multiple Stakeholder Surveys
- Performance reviews & Improvement
- Functional Alignment through Internal surveys, SLAs and optimal BSC deployment.

In the year under review, multiple initiatives to address all above were executed by cross section of organization as per plan. The Enterprise Process Manual & Branch Process Manual was reviewed, updated & implemented across Head Office and all locations. Strategy Map was reviewed and appropriately updated, Balance Score Card was aligned with strategy map and updated for the year with aligned measures. This BSC which operationalises the strategy map was reviewed on monthly basis; Suitable business course corrections were made which enabled the TMF to maintain the lead in marketplace. Improvement this year was that the Balance Score Cards were created for each 12 critical functions in addition to the Enterprise Balance Score Card.

To ascertain the feedback of all our stakeholders so as to identify further improvement areas multiple Stakeholder Surveys were undertaken including Customer, Dealer & DSAs and employees. This was supplemented with ten key support functions, conducting internal customer satisfaction surveys among their internal user team who utilise their services during normal business operations. This was undertaken to improve internal efficiencies even further. The external Satisfaction Surveys were very positive with satisfaction index being 80% + across all Customers, dealers and DSAs. The employee engagement score was 96% indicating high robust HR culture within the organization. This year it was done among both on roll and off role employees.

Every function undertook monthly Performance reviews which enabled the functions to identify improvement opportunities which were acted upon promptly by the functional heads. This helped improve business operations further. All functions have been operating at optimum levels of efficiency. TMF since last year has formally adopted Continuous Improvement program where in multiple projects were identified for improvement and are being taken forward systematically by the respective Cross Functional teams. TMF now has the foundation for new improvement culture set in place although in initial stages. The employees are trained in improvement tools and how to identify improvement opportunities. We have engaged Tata Business Excellence group to guide these teams and train them formally in improvement tools TMF also identified multiple processes for simplification and automation thereby having leaner and swifter process operations.

TMF has put in place formal communication framework and practice of inter departmental SLAs which were reviewed on monthly basis to identify gaps if any.

All initiatives put in place last year continued this year thereby deepening process centric culture across the organization. BE Champions across all functions are actively engaged with embedding excellence culture within their function thereby making it gradually DNA of the organization.

TMF has laid foundation of identifying benchmarks for process related areas and compare the TMF performance with appropriate benchmarks. This is being taken forward as formal Benchmark process for both financial & non-financial areas. TMF lays very strong emphasis on employee safety & well being. It has very robust employee safety program code named as "I Assure" and TMF engaged Tata Business Excellence Group Safety Team to review its employee safety processes and suggest improvements to take it to next level .Processes were further enhanced in the year under review and Safety Performance Dashboard which has been set in place was duly reviewed on periodic basis by management team. Safety Council which was constituted last year oversees the functioning of safety committees operational at HO and regions. It reviews the safety performance dashboard too.

TMF discharges its responsibility towards clean environment by reviewing the carbon foot print on annual basis. In the current year under review carbon foot print declined to 1.05 Mt / employee which is 22% better than last year. TMF has maintained admirable declining trend of Carbon Foot Print from 2.7 MT / employee to 1.05 MT/ Employee over last eight years.

TMF BE department was assigned responsibility of one of the most important attributes of sustainable excellence organization – having Business Continuity plan in place. BE Function engaged with 15 identified critical functions were to review business continuity risks and their mitigation plans as documented in their business. Accordingly, BIAs were updated, and Functional Recovery plans were modified as appropriate. They have been duly audited too and found to be in order and in alignment with BCP policy and RBI Master directions. TMF has successful work from home of all employees for considerable long time and this bears testimony to efficient BCP drills carried out at TMF.

The TBEM application was prepared and submitted in Jul 2021 and external assessment exercise was undertaken in Nov / Dec 21 over digital platform. There were 66 focussed discussions of senior TBEM assessors with various teams in Head office and across the country. The assessors reviewed each process and associated result in detail and concluded that TMF has improved significantly since last assessment and were impressed with passion and energy across the organization and acknowledged the deep-rooted process centric improved culture. TMF performance was found to be very impressive, and assessors accorded score of 571 which is significantly higher than last year. TMF has already been recognised as Emerging Industry Leader last year and received award from Group chairman last year. This year too TMF extended its successful business excellence journey even further to TBEM score 570+.

TMF initiated another very useful project this year with objective of gathering competitor's information from the field. This is code named as Competitive Information Management and involves field teams capturing their understanding of market place as well as key happenings taking place in the industry. This is reviewed by Regional business heads and post their authorization is reviewed and analysed by management team. Appropriate actions are taken based on this competitive inputs thereby keeping TMF abreast with market conditions in systematic manner.

39. OTHER DISCLOSURES

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

Section 136 of the Act and the Rules framed thereunder allows the Company to send its Financial Statements by electronic mode to such Members whose shareholding is in dematerialized format and whose email addresses are registered with the Depositories for communication purposes. Shareholders/ Debenture holders who have not registered their email address with the Depositories are requested to register the same. Further, in accordance with the Circular No. 2/2022 dated May 5, 2022 read with Circular No. 02/2021 dated January 13, 2021 and Circular No. 20/2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs, the Notice of the AGM including the Annual Report of the Company is being sent only through electronic mode to all the Members/ Debenture holders whose e-mail addresses are registered with the Depositories.

A copy of Annual Report along with the Financial Statements for FY 2021-22 of the Company is also available on the website of the Company, www.tmf.co.in.

40. ACKNOWLEDGEMENTS

The Directors would like to place on record their gratitude for support received from the Reserve Bank of India and other Government and regulatory agencies and to convey their appreciation to Tata Motors Limited, Tata Motors Finance Limited, Tata Motors Finance Solutions Limited bankers, lenders, and all other business associates for the continuous support given by them to the Company. The Directors also place on record their appreciation of all employees of its holding Company who had extended their services to the Company for their commendable efforts, team work and professionalism.

On behalf of the Board of Directors of
TMF HOLDINGS LIMITED

NASSER MUNJEE
CHAIRMAN
DIN: 00010180

Date: May 24, 2022

Annexure-1

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs for the F.Y. 2021-22)

Tata Motors Finance Solutions Limited:

(Rs. in Lakhs)

Sl. No.	Particulars	Details
1	Name of the subsidiary	Tata Motors Finance Solutions Limited
2	The date since when subsidiary was acquired	January 19, 2015
3	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	NA
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable
5	Share capital	1700,49.74
6	Reserves & surplus	100,68.94
7	Total assets	10846,46.32
8	Total Liabilities	8945,27.64
9	Investments	453,52.23
10	Turnover*	1040,77.75
11	Profit / (loss) before taxation	238,78.88
12	Provision for taxation	46,85.01
13	Profit / (loss) after taxation	191,93.87
14	Proposed Dividend	0.00
15	Extent of shareholding (in percentage)	100%

* Represents Revenue from Operations.

Note that all the figures are rounded off to lakhs of rupees.

Tata Motors Finance Limited:

(Rs. in Lakhs)

Sl. No.	Particulars	Details
1	Name of the subsidiary	Tata Motors Finance Limited
2	The date since when subsidiary was acquired	29/03/2016
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable
5	Share capital	608,27.69
6	Reserves & surplus	4191,04.01
7	Total assets	34336,45.13
8	Total Liabilities	29537,13.43
9	Investments	1247,30.51
10	Turnover*	3762,63.54
11	Profit / (loss) before taxation	(96,90.29)
12	Provision for taxation	(70,16.29)
13	Profit / (loss) after taxation	(26,74.00)
14	Proposed Dividend	0
15	Extent of shareholding (in percentage)	97

**Represents Revenue from Operations.*

Note that all the figures are rounded off to lakhs of rupees.

1. Names of subsidiaries which are yet to commence operations - NIL
2. Names of subsidiaries which have been liquidated or sold during the year.- NIL

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	Loginomic Tech Solutions Private Limited
Latest audited Balance Sheet Date	Year ended 31 March 2022
Shares of Associate/Joint Ventures held by the company on the year end	Equity Shares
No.	31,200
Amount of Investment in Associates/Joint Venture	Rs. 2,65.87 Lakhs
Extend of Holding%	26%
Description of how there is significant influence	No Significant influence. There is a joint control between the parties to the agreement
Reason why the associate/joint venture is not consolidated	Equity method of accounting done as required by IND AS 28 – Investments in Associates and Joint Ventures
Net worth attributable to shareholding as per latest audited Balance Sheet	-
Profit/Loss for the year	-
Considered in Consolidation	
Not Considered in Consolidation	-

1. Names of associates or joint ventures which are yet to commence operations. - NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year. - NIL

On behalf of the Board of Directors of

TMF HOLDINGS LIMITED

NASSER MUNJEE
Chairman

DIN: 00010180

Date: May 2, 2022

Annexure-2

FORM NO. MR 3
SECRETERIAL AUDIT REPORT
[Pursuant to Section 204 (1) of the Companies Act 2013 and Rule no 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]
For the Financial Year Ended March 31, 2022

To,
The Members,
TMF HOLDINGS LIMITED

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

Based on our verification of the TMF Holdings Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by TMF Holdings Limited ("the Company") for the financial year ended on March 31, 2022 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period),

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the Audit Period),

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015,

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, (Not applicable to the Company during the Audit Period)

e) SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI OPERATIONAL CIRCULAR SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021,

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable during the Audit Period)

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period)

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period)

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company.

1. The Reserve Bank of India Act,1934, and

2. RBI's NBFC Directions and Guidelines, Circulars etc. issued by RBI from time to time, applicable on NBFCs,

Additionally, a declaration on compliance of various statues duly signed by the Managing Director, Chief Financial Officer and Chief Compliance Officer is submitted to the Board on quarterly basis.

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India, We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

The Company has appointed Mrs. Varsha Purandare as Non-executive, Independent Director w.e.f. 16th June,2021 and Vedika Bhandarkar retired as an Independent Director on 30th July, 2021.

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

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee of the Board as case may be.

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

We further report that during the audit period following events have occurred in the company:

i. Annual General Meeting was held on 31st August, 2021.

ii. Extra Ordinary General Meeting of the Company was held on 1st December, 2021 wherein approval of the shareholders was obtained for appointment of M/s Sudit K Parekh & Co. LLP, Chartered Accountants (Firm Registration No. 110512W/W100378), as Statutory Auditors commencing from Q3 FY 2021-22 to hold the office until the conclusion of the Annual General Meeting of the Company to be held in the year 2024 pursuant to RBI Guidelines and approval was also obtained for issuance of Non-Convertible Debentures on private placement basis.

iii. Extra Ordinary General Meeting of the Company was held on 4th March, 2022 wherein approval of the shareholders was obtained for approval for issuance of Non-Convertible Debentures on private placement basis.

iv. The Company has allotted 2,500 (Two Thousand Five Hundred) Subordinated Listed, Unsecured, Rated, Perpetual, Non-Convertible Debentures of the face value of Rs. 10,00,000/- (rupees ten lakhs) each, aggregating Rs. 250,00,00,000/- (rupees two hundred fifty crores) on a private placement basis on 10th June 2021.

v. The Company has allotted 2,000 (Two Thousand) Subordinated, Listed, Unsecured, Rated, Perpetual, Non-Convertible Debentures of the face value of Rs. 10,00,000/- (rupees ten lakhs) each, aggregating Rs. 200,00,00,000/- (rupees two hundred crores) on a private placement basis on 23rd June 2021.

vi. The Company has allotted 1,650 (One Thousand Six Hundred Fifty) Unsecured, Listed, Rated, Non-Convertible Debentures of the face value of Rs. 10,00,000/- (Rupees Ten Lakhs) each, aggregating to Rs. 165,00,00,000/- (Rupees One Hundred Sixty Five Crores) on a private placement basis on 14th October 2021

vii. The Company has allotted of 3,000 (Three Thousand) Unsecured, Listed, Rated, Non-Convertible Debentures of the face value of Rs. 10,00,000/- (Rupees Ten Lakhs) each, aggregating to Rs. 300,00,00,000/- (Rupees Three Hundred Crores) on a private placement basis on 18th November 2021.

viii. The Company has allotted 3,000 (Three Thousand) Unsecured, Listed, Rated, Non-Convertible Debentures of the face value of Rs. 10,00,000/- (Rupees Ten Lakhs) each, aggregating to Rs. 300,00,00,000/- (Rupees Three Hundred Crores) on a private placement basis on 30th November 2021.

ix. The Company has allotted 7,000 (Seven Thousand) Unsecured, Listed, Rated, Non-Convertible Debentures of the face value of Rs. 10,00,000/- (Rupees Ten Lakhs) each, aggregating to Rs. 700,00,00,000/- (Rupees Seven Hundred Crores) on a private placement basis on 25th February 2022.

x. The Company has allotted 3,000 (Three thousand) Unsecured, Listed, Rated, Non-Convertible Debentures of the face value of Rs. 10,00,000/- (Rupees Ten Lakhs) each, aggregating to Rs. 300,00,00,000/- (Rupees Seven Hundred Crores) on a Private Placement Basis on 22nd March 2022.

For SG & Associates
Practicing Company Secretaries

Suhas Ganpule
Proprietor
Practicing Company Secretary
Membership No 12122
C. P. No 5722
UDIN:A012122D000373241

Date: 24th May, 2022
Place: Mumbai

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

Annexure 'A'

To
The Members,
TMF HOLDINGS LIMITED

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

I) Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on my audit.

II) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, we followed provide a reasonable basis for our opinion.

III) We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

IV) Wherever required, we have obtained Management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.

V) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of Management. Our examination was limited to the verification of procedure on test basis.

VI) The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For SG and Associates
Practicing Company Secretaries

Suhas Ganpule
Proprietor
Membership No: 12122
C. P No: 5722
UDIN: **A012122D000373241**

Date: 24th May,2022
Place: Mumbai

Corporate Governance Report

I. Company's Philosophy on Corporate Governance

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from the Tata culture and ethos. The Company has a strong legacy of fair, transparent and ethical governance practices.

The Company has adopted the Governance Guidelines on Board Effectiveness, Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("the Act"). The Company's corporate governance philosophy has been further strengthened through the Tata Business Excellence Model, Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ("Insider Trading Code"), Vigil Mechanism, Fair Practices Code, Policy against Sexual Harassment in the Workplace. The Company has in place an Information Security Policy that ensures proper utilization of IT resources.

The Company has signed the Tata Brand Equity and Business Promotion (BEBP) Agreement with Tata Sons Private Limited for subscribing to the TATA BEBP Scheme. The Company abides by the Tata Code of Conduct and the norms for using the Tata Brand identity.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

II. Board of Directors

i. As on March 31, 2022, the Company has Six (6) Directors viz. Mr. Nasser Munjee, Chairman & Independent Director, Mr. P. S. Jayakumar, Independent Director, Mrs. Varsha Purandare, Independent Director, Mr. P. B. Balaji, Non-Executive Director, Mr. Shyam Mani, Non-Executive Director and Mr. Samrat Gupta, Managing Director & CEO. Mr. Dhiman Gupta has been appointed as Non-Executive, Additional Director w.e.f. May 24, 2022. The profiles of Directors can be found on website of the Company i.e. *www*.tmf.co.in. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.

ii. None of the Directors on the Board holds directorships in more than 10 public companies. None of the Independent Directors serves as an independent director on more than 7 listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors. None of the Directors is related to each other.

iii. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

iv. 12 (Twelve) Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on April 12, 2021, April 30, 2021, May 11, 2021, July 20, 2021, September 07, 2021, October 20, 2021, November 12, 2021, January 25, 2022, February 11, 2022, February 25, 2022, March 02, 2022 and March 21, 2022. The necessary quorum was present for all the meetings.

v. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), names of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2022 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

Name of the Director (DIN)	Category	Number of Board Meetings attended during FY 2021-2022	Whether attended last AGM held on *August 31, 2021 (Yes/No)*	*Number of Directorships in other Public Companies		Number of Committee positions held in other Public Companies		Directorship in other listed entity (Category of Directorship)
				Chairperson	Member	Chairperson	Member	
Mr. Nasser Munjee (Chairman) (DIN: 00010180)	Independent	12	Yes	2	5	3	4	Ambuja Cements Limited (ID) Cummins India Limited (ID) The Indian Hotels Company Limited (ID) Tata Motors Finance Limited (Debt Listed) (ID) Tata Motors Finance Solutions Limited (Debt Listed) (ID)
Mr. P. S. Jayakumar (DIN: 01173236)	Independent	12	Yes	1	8	3	7	Adani Ports and Special Economic Zone Limited (ID) JM Financial Limited (ID) CG Power and Industrial Solutions Limited (ID) HT Media Limited (ID) Northern Arc Capital Limited (Debt Listed) (ID & NED Chairperson) Tata Motors Finance Limited (Debt Listed) (ID)
Mrs. Varsha Purandare (DIN: 05288076)	Independent	9	Yes	1	9	4	9	Deepak Fertilizers and Petrochemicals Corporation Ltd. (ID) Orient Cement Limited (ID) Shaily Engineering Plastics Ltd (ID) The Federal Bank Ltd (ID) **Debt Listed Companies:** Tata Motors Finance Limited (ID) Tata Motors Finance Solutions Limited (ID) Tata Cleantech Capital Limited (ID) Tata Capital Limited (ID) Tata Capital Financial Services Limited (ID)
Mr. P. B. Balaji (DIN: 02762983)	Non-Executive	12	Yes	0	6	0	4	Tata Consumer Products Limited (NED)

								Debt Listed Companies: Tata Motors Finance Limited (NED) Tata Motors Finance Solutions Limited (NED)
Mr. Shyam Mani (DIN: 00273598)	Non-Executive	12	Yes	2	4	0	3	**Debt Listed Companies:** Tata Motors Finance Limited (NED) Tata Motors Finance Solutions Limited (NED)
Mr. Samrat Gupta DIN: 07071479	Managing Director & CEO	12	Yes	0	1	0	1	Tata Motors Finance Limited (Debt Listed Company) -MD & CEO

*Excludes directorship in the Company, private companies, foreign companies, Section 8 companies.

Table Key: NED –Non-Executive Director, ID-Independent Director, MD & CEO – Managing Director & CEO.

vi. During FY 2021-22, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

vii. During FY 2021-22, 1 [One] meeting of the Independent Directors was held on March 21, 2022.

viii. The Board periodically reviews the compliance reports of all laws applicable to the Company.

ix. Details of equity shares of the Company held by the Directors as on March 31, 2022 are given below:

Name *of Director*	Category *of Director*	Number of Equity shares
Mr. Nasser Munjee (Chairman) (DIN: 00010180)	Independent	Nil
Mr. P. S. Jayakumar (DIN: 01173236)	Independent	Nil
Mrs. Varsha Purandare (DIN: 05288076)	Independent	Nil
Mr. P. B. Balaji (DIN: 02762983)	Non-Executive	One Equity share jointly with Tata Motors Limited
Mr. Shyam Mani (DIN: 00273598)	Non-Executive	Nil
Mr. Samrat Gupta (DIN: 07071479)	Managing Director & CEO	Nil

As on March 31, 2022, Company has outstanding 434,00,000 Compulsory Convertible Preference Shares of Rs. 100 each which are held by Holding Company of the Company i.e. Tata Motors Limited.

x. The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Entrepreneur / Leadership	Extended entrepreneurial / leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.
Financial Expertise	Education and experience as an Auditor or Public Accountant or a principal financial officer, comptroller or principal accounting officer or holding a position involving performance of similar functions.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.
NBFC Industry Experience	A significant background in NBFC industry, resulting in knowledge of how to anticipate market trends, generate disruptive innovation and extend or create new business models.
Information Technology	Development of digital solutions for customers and cyber security assurance.
Diversity	Representation of gender, cultural or other perspectives that expands the Board understanding of the needs and viewpoints of our customers, partners, employees, governments and other stake holders.

Name of the Director	Skill I Entrepreneur / Leadership	Skill II Financial Expertise	Skill III Strategy and Planning	Skill IV Governance	Skill V NBFC Industry Experience	Skill VI Information Technology	Skill VII Diversity
Mr. Nasser Munjee (Chairman)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. P. S. Jayakumar	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Varsha Purandare	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Mr. P. B. Balaji	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Shyam Mani	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Samrat Gupta	Yes	Yes	Yes	Yes	Yes	Yes	Yes

III. Committees of the Board

The Board has constituted various Committees with specific terms of reference to focus on specific issues and ensure expedient resolution of diverse matters. These include the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Asset Liability Supervisory Committee, Risk Management Committee, Stakeholders Relationship Committee and Information Technology (IT) Strategy Committee.

The Company Secretary is the Secretary of all the Committees. The Board of Directors and the Committees also take decisions by circular resolutions which are noted by the Board / respective Committees at their next meetings. The Minutes of meetings of all Committees of the Board are circulated to the Board of Directors for noting.

1) <u>Audit Committee</u>

As on March 31, 2022, the Audit Committee comprises Two (2) Independent Directors viz. Mr. P. S. Jayakumar (Chairman), Mrs. Varsha Purandare and One (1) Non-Executive Director, Mr. P. B. Balaji.

During the year under review, following changes occurred in composition of the Audit Committee:

- Mrs. Varsha Purandare has been appointed as an Independent Director w.e.f. June 16, 2021 and as a member of Audit Committee.
- Mrs. Vedika Bhandarkar retired as an Independent Director and stepped down as a Member of Audit Committee w.e.f. July 30, 2021.

The composition of the Audit Committee is in line with the provisions of Section 177 of the Act and SEBI (LODR) Regulations, 2015. All the Members have the ability to read and understand financial statements and have relevant finance and/or audit experience.

The Board has adopted the Corporate Governance Guidelines which defines the composition of the Audit Committee, its authority, role, responsibilities and powers and reporting functions in accordance with the Act and Guidelines issued by the SEBI and RBI. Given below, *inter alia*, is a gist of the responsibilities of the Audit Committee.

The Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include,—

- the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;
- examination of the financial statement and the auditors' report thereon;
- approval or any subsequent modification of transactions of the company with related parties;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds raised through public offers and related matter;
- The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company;
- Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed.

As per Regulation 18 of SEBI (LODR) Regulations, 2015:

The role of the Audit Committee shall include the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financialstatement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company; (as also provided in the Act)
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management, the annual financial statements and auditor's report thereon (as also provided in the Act) before submission to the board for approval, with particular reference to:
    - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
    - Changes, if any, in accounting policies and practices and reasons for the same
    - Major accounting entries involving estimates based on the exercise of judgment by management
    - Significant adjustments made in the financial statements arising out of audit findings
    - Compliance with listing and other legal requirements relating to financial statements
    - Disclosure of any related party transactions
    - Qualification in the draft audit report

- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) (as also provided in the Act), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process; (as also provided in the Act)
- Approval or any subsequent modification of transactions of the company with related parties; (as also provided in the Act)
- Scrutiny of inter-corporate loans and investments; (as also provided in the Act)
- Valuation of undertakings or assets of the company, wherever it is necessary; (as also provided in the Act)
- Evaluation of internal financial controls and risk management systems; (as also provided in the Act)
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and

- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

Additionally, the Audit Committee of the Board of a Tata company will also need to

- Oversee financial reporting controls and process for material subsidiaries.
- Oversee compliance with legal and regulatory requirements including the Tata Code of Conduct ("TCoC") for the company and its material subsidiaries.
- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- The Audit Committee must ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the applicable NBFCs.

During the year under review, Eleven (11) meetings were held on April 09, 2021, April 30, 2021, May 11, 2021, July 20, 2021, August 23, 2021, September 07, 2021, October 18, 2021, December 14, 2021, January 25, 2022, February 25, 2022 and March 21, 2022. The composition of the Audit committee and the attendance of its members at its meetings held during FY 2021-22 are given below:

Name of Member	Category	No. of Meetings	
		Held	Attended
Mr. P. S. Jayakumar	Independent Director (Chairman)	11	11
Mrs. Vedika Bhandarkar[i]	Independent Director	11	4
Mrs. Varsha Purandare[ii]	Independent Director	11	7
Mr. P. B. Balaji	Non-Executive Director	11	11

i. Stepped down as a Member w.e.f. July 30, 2021.
ii. Appointed as a Member w.e.f. June 16, 2021.

The Board has accepted all the recommendations made by the Audit Committee during the year. The invitees for Audit Committee meetings are Managing Director & CEO, Statutory Auditors, Chief Internal Auditor of the Company and Tata Motors Limited, Chief Financial Officer and Company Secretary. The minutes of the Audit Committee meetings forms part of the Board papers circulated for Board Meetings. The Chairman of the Audit Committee briefs the Board members about significant discussions at Audit Committee meetings. The Internal Audit function is headed by the Chief Internal Auditor of the Company who reports to the Chairman of the Audit Committee to ensure independence of internal audit.

2) Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee of Directors has been constituted to ensure appointment of directors with 'fit and proper' credentials and to review the performance of the Managing Director & CEO/Key Managerial Personnel and direct reportees of MD & CEO, to decide commission payable to the directors, to formulate and administer Long Term Incentive Plans, if any and to review employee compensation vis-à-vis industry practices and trends.

As of March 31, 2022, the Nomination and Remuneration Committee comprises Three (3) Directors namely Mr. P. S. Jayakumar (Chairman), Mr. Nasser Munjee, Independent Director and Mr. P. B. Balaji, Non-Executive Director.

During FY 2021–22, Four (4) meetings of the NRC were held on April 30, 2021, May 11, 2021, November 12, 2021 and March 04, 2022. The composition of the NRC and the attendance of its members at its meetings held during FY 2021-22 are given below:

Name of the member	**Category**	**No. of meetings**	
		Held	**Attended**
Mr. P. S. Jayakumar[i]	Independent Director (Chairman)	4	2
Mrs. Vedika Bhandarkar[ii]	Independent Director	4	2
Mr. Nasser Munjee	Independent Director	4	4
Mr. P. B. Balaji	Non-Executive Director	4	4

i. Appointed as a Member w.e.f. June 16, 2021 and as a Chairman w.e.f. July 31, 2021.
ii. Stepped down as a Chairperson and Member w.e.f. July 30, 2021.

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

NRC/Remuneration Policy:

The philosophy for remuneration of directors, Key Managerial Personnel ("KMP") and all other employees of TMF Holdings Limited ("the Company") is based on the commitment of fostering a culture of Leadership with Trust. The remuneration policy is aligned to this philosophy.

The remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act"). While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Managing Director and the Executive Directors. Annual increments are recommended by the Nomination and Remuneration Committee within the salary scale approved by the Board and Members (wherever applicable) and are effective April 1, each year.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, decides the remuneration payable to other Directors and the Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Act, based on the Board evaluation process considering the criteria such as the performance of the Company as well as that of the Director.

The Company pays sitting fees to Independent Directors and Non-Executive Directors who are not in employment in Tata Group Companies, as approved by the Board of Directors.

The Remuneration policy is available on the website of the Company i.e.www.tmf.co.in/ investor zone.

3) Risk Management Committee (RMC)

The Risk Management Committee of Directors manages the integrated risks of the Company. As of March 31, 2022, Risk Management Committee comprises Five (5) Directors namely Mr. P. S. Jayakumar (Chairman), Mrs. Varsha Purandare, Mr. P. B. Balaji, Mr. Shyam Mani and Mr. Samrat Gupta.

During FY 2021-22, Four (4) meetings of the RMC were held on June 18, 2021, September 29, 2021, December 17, 2021 and March 21, 2022. The composition of the RMC and the attendance of its members at its meetings held during FY 2021-22 are given below:

Name of Member	Category	No. of Meetings	
		Held	Attended
Mr. P. S. Jayakumar	Independent Director (Chairman)	4	4
Mrs. Vedika Bhandarkar[i]	Independent Director	4	1
Mrs. Varsha Puranadre[ii]	Independent Director	4	4
Mr. P. B. Balaji	Non-Executive Director	4	4
Mr. Shyam Mani	Non-Executive Director	4	4
Mr. Samrat Gupta[iii]	Managing Director & CEO	4	4

i. Stepped down as a Member w.e.f. July 30, 2021.
ii. Appointed as a Member w.e.f June 16, 2021.
iii. Appointed as a Member w.e.f May 11, 2021.

4) Asset Liability Supervisory Committee (ALCO)

The Asset Liability Supervisory Committee of Directors oversees the implementation of the Asset Liability Management system and periodically reviews its functioning. The Asset Liability Committee is also constituted to carry out the necessary spade work for formalizing the ALM system in the Company reports to the Asset Liability Supervisory Committee of Directors.

As of March 31, 2022, Asset-Liability Supervisory Committee comprises Six (6) Members namely Mr. P. S. Jayakumar (Chairman), Mrs. Varsha Purandare, Mr. P. B. Balaji, Mr. Shyam Mani, Mr. Samrat Gupta (Managing Director & CEO) and Ms. Ridhi Gangar, (Group CFO).

During FY 2021-22, Four (4) meetings of the ALCO were held on June 18, 2021, September 29, 2021, December 17, 2021 and March 21, 2022. The composition of the ALCO and the attendance of its members at its meetings held during FY 2021-22 are given below:

Name of Member	Category	No. of Meetings	
		Held	Attended
Mr. P. S. Jayakumar	Independent Director (Chairman)	4	4
Mrs. Vedika Bhandarkar[i]	Independent Director	4	1
Mrs. Varsha Purandare[ii]	Independent Director	4	4
Mr. Shyam Mani	Non- Executive Director	4	4
Mr. P. B. Balaji	Non- Executive Director	4	4
Mr. Samrat Gupta[iii]	Managing Director & CEO	4	4
Ms. Ridhi Gangar	Group Chief Financial Officer	4	3

i. Stepped down as a Member w.e.f. July 30, 2021.
ii. Appointed as a Member w.e.f June 16, 2021.
iii. Appointed as a Member w.e.f May 11, 2021.

5) Corporate Social Responsibility (CSR) Committee

The Tata Group's ethos is deeply ingrained in the philosophy of societal development and is especially focused upon the engagement and upliftment of the disadvantaged sections of the society. The Company is committed to a policy of inclusive and sustainable growth for communities. The Company shares the Group's belief that our society can only truly progress, if every individual can be included and empowered. The Company has constituted the 'Corporate Social Responsibility' (CSR) Committee to formulate and recommend to the Board, a CSR policy, recommend the amount of expenditure to be incurred on the activities and monitor CSR activities of the Company.

As on March 31, 2022, the Corporate Social Responsibility (CSR) Committee of the Board comprises Three (3) Directors namely Mr. Nasser Munjee, Chairman, Mr. Shyam Mani and Mr. Samrat Gupta.

During FY 2021-22, no meeting of the CSR Committee was held in view of non-availability of mandatory CSR spends in terms of CSR provisions of the Companies Act, 2013.

Name of Member	Category	No. of Meetings	
		Held	Attended
Mr. Nasser Munjee[i]	Independent Director (Chairman)	0	0
Mrs. Vedika Bhandarkar[ii]	Independent Director	0	0
Mr. Shyam Mani	Non- Executive Director	0	0
Mr. Samrat Gupta[iii]	Managing Director & CEO	0	0

i. Appointed as a Chairman w.e.f. July 31, 2021
ii. Stepped down as a Chairperson and Member w.e.f. July 30, 2021.
iii. Appointed as a Member w.e.f May 11, 2021.

6) Stakeholders Relationship Committee (SRC)

The Company has constituted Stakeholders' Relationship Committee on November 12, 2021 to consider and resolve the grievances of security holders of the Company.

As on March 31, 2022, Stakeholders' Relationship Committee (SRC) comprises Three (3) members namely Mr. Nasser Munjee (Chairman), Mr. Shyam Mani and Mr. Samrat Gupta.

During FY 2021-22, One (1) meeting of the SRC was held on March 04, 2022. The composition of the SRC and the attendance of its members at its meeting held during FY 2021-22 are given below:

Name of Member	Category	No. of Meetings	
		Held	Attended
Mr. Nasser Munjee	Independent Director (Chairman)	1	1
Mr. Shyam Mani	Non-Executive Director	1	1
Mr. Samrat Gupta	Managing Director & CEO	1	1

Stakeholders Relationship Committee – other details

a. Name, designation and address of Compliance Officer:
Mr. Vinay Lavannis
Company Secretary
Building A, 2nd Floor, Lodha I Think Techno Campus, Off. Pokharan Road No 2, Thane (West) 400 601.
Board Line 91 22 6181 5400
Email: vinay.lavannis@tmf.co.in

b. Details of Investor Complaints received and redressed during FY 2021-2022 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

7) **<u>Information Technology (IT) Strategy Committee (ITSC)</u>**

Information Technology (IT) Strategy Committee (ITSC) has been constituted on November 12, 2021 as per the provisions of RBI Master Direction RBI/DNBS/2016-17/53 DNBS.PPD.No.04/66.15.001/2016-17 dated June 08, 2017 pertaining to Information Technology Framework for the NBFC Sector. The terms of reference of this Committee are in line with the regulatory requirements. The roles and responsibilities of IT Strategy Committee include:

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- Ensuring proper balance of IT investments for sustaining Company's growth and becoming aware about exposure towards IT risks and controls.

As on March 31, 2022, the IT Strategy Committee (ITSC) comprises Four (4) members namely Mrs. Varsha Purandare (Chairperson), P. S. Jayakumar, Mr. P. B. Balaji and Mr. Shyam Mani. Mr. Samrat Gupta (MD & CEO), Mr. Alok Chadha, Mr Anand Bang, Ms. Ridhi Gangar (CFO) and Mr. Ramesh Chandra (CIO) are permanent invitees for the meetings of ITSC.

During FY 2021-22, One (1) meeting of the ITSC was held on February 01, 2022. The composition of the ITSC and the attendance of its members at its meeting held during FY 2021-22 are given below:

Name of Member	**Category**	**No. of Meetings**	
		Held	**Attended**
Mrs. Varsha Purandare	Independent Director (Chairperson)	1	1
Mr. P. S. Jayakumar	Independent Director	1	0
Mr. P. B. Balaji	Non-Executive Director	1	1
Mr. Shyam Mani	Non-Executive Director	1	1

IV. Details of the Remuneration for the year ended March 31, 2022:

a. Independent Directors and Non-Executive Directors:

The Company has paid Sitting Fees to Independent Directors and Mr. Shyam Mani, Non-Executive Director for attending meetings of the Board and the Committees of the Board during FY 2021-22. Details of Sitting Fees and remuneration are paid given below:

Name of Director	**Sitting Fees paid for attending Board and Committee Meetings during FY 2021-22 (Rs.)**	**Remuneration paid during FY 2021-22 (Rs.)**
Mr. Nasser Munjee	7,80,000/-	-

Mr. P. S. Jayakumar	14,80,000/-	-
Mrs. Vedika Bhandarkar	5,20,000/-	-
Ms. Varsha Purandare	11,00,000/-	-
Mr. P. B. Balaji*	-	-
Mr. Shyam Mani	9,00,000/-	-
Mr. Samrat Gupta	-	-

*In line with the internal guidelines of the Company, no payment is made towards sitting fees to the Non-Executive Directors of the Company, who are in full time employment with any other Tata Group Company.

Notes:
Mrs. Varsha Purandare has been appointed as an Independent Director w.e.f. June 16, 2021.
Mrs. Vedika Bhandarkar has retired as an Independent Director w.e.f July 30, 2021.

None of the Non-Executive Directors and Independent Directors had any pecuniary relationships or transactions with the Company during the year under review except the sitting fees as mentioned above.

b. Managing Director and Chief Executive Director:

Name of Director	Salary	Benefits, Perquisites and Allowances	Commission	ESPS
Mr. Samrat Gupta, Managing Director & CEO	-	-	-	-

The Company has not paid any remuneration to Mr. Samrat Gupta during the year.

V. General Body Meetings

i. General Meeting

a. Annual General Meeting (AGM)

Financial Year for which AGM was held	Date	Time	Venue	Whether any special resolutions passed
F.Y. 2020-21	Tuesday, August 31, 2021	11.00 A.M.	Meeting held through video conferencing facility. Deemed venue was registered office of the Company.	Yes
F.Y. 2019-20	Monday, September 21, 2020	10.00 A.M	Meeting held through video conferencing facility. Deemed venue was registered office of the Company.	Yes

F.Y. 2018-19	Wednesday, July 24, 2019	02:30 PM	Registered Office of the Company at 106- 10th Floor, Maker Chambers III, Nariman Point, Mumbai 400 021.	Yes

b. **Extraordinary General Meeting**:

Details of Extraordinary general meeting of the members held during FY 21-22 are as under:

Date of EGM held during FY 2021-22	**Time**	**Venue**	**Whether special resolution passed**
Wednesday, December 01, 2021	10.00 A.M	Meeting held through video conferencing facility. Deemed venue was registered office of the Company.	Yes
Friday, March 04, 2022	5.30 P.M	Meeting held through video conferencing facility. Deemed venue was registered office of the Company.	Yes

ii. Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot: **Not Applicable**

iii. Details of special resolution proposed to be conducted through postal ballot: **Not Applicable**

VI. A certificate has been received from M/s SG and Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

VII. Pursuant to RBI Circular No. 2021-22/25 dated April 27, 2021; the Board of Directors of the Company at its meeting held on October 20, 2021 has approved the appointment of M/s Sudit K Parekh & Co. LLP, Chartered Accountants, (Firm Registration No. 110512W/W100378) as Statutory Auditors of TMF Holdings Limited commencing from Q3 FY 21-22 and will hold the office until the conclusion of the Annual General Meeting of the Company to be held in the year 2024 which was subsequently approved by the Shareholders at their Extra-Ordinary General Meeting held on December 01, 2021.

The details of fees paid by the Company to auditors are as under: (excluding Goods & Service Tax)*:

(Rs. In lakhs)

Particulars	For the year ended March 31, 2022
As auditors - Statutory audit	24.12
As auditors - Tax audit	0.69
For other services	7.35
Reimbursement of out of pocket expenses	0.73
Total	**32.89**

*Includes Auditors' remuneration of Rs.19.09 lakhs paid to erstwhile auditor.

VIII. Other Disclosure

Particulars	Regulations	Details	Website link for details/policy
Related party transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	There are no material related party transactions during the year that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company.	www.tmf.co.in
Details of non - compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets	Schedule V (C) 10(b) to the SEBI Listing Regulations	There were no cases of non-compliance during the last three financial years.	NA
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee.	www.tmf.co.in

		The said policy has been uploaded on the website of the Company.	
Discretionary requirements	Schedule II Part E of the SEBI Listing Regulations	a. Mr. Nasser Munjee, Chairman does not maintain any separate office. b. The auditors' report on financial statements of the Company are unqualified. c. The Company is having separate posts of Chairman and the Managing Director & Chief Executive Officer. Mr. Nasser Munjee is an Independent Director and not related to Mr. Samrat Gupta, Managing Director & Chief Executive Officer d. Chief Internal Auditor has direct functional reporting to Audit Committee.	NA
Subsidiary Companies	Regulation 24 of the SEBI Listing Regulations	The audit committee reviews the consolidated financial statements of the Company and the investments made by its subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the subsidiary companies are periodically placed before the Board of Directors of the Company.	NA
Policy on Archival and Preservation of Documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted a Policy on Archival and Preservation of Documents.	www.tmf.co.in
Code of Conduct	Regulation 17 of the SEBI Listing Regulations	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2022. The Annual Report of the Company contains a certificate by the Managing Director and Chief Executive Officer, on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.	www.tmf.co.in
Terms of Appointment of	Regulation 62 (1A) of SEBI Listing	Terms and conditions of appointment/re-appointment of Independent Directors	www.tmf.co.in

Independent Directors	Regulations and Section 149 read with Schedule IV of the Act	are available on the Company's website.	
Familiarization Program	Regulations 25(7) and 62 (1A) (i) of SEBI Listing Regulations	The Company conducts induction programme for Directors.	The details will be uploaded at www.tmf.co.in as and when any Director joins the Board.
Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018	Clause l Part C Schedule V of SEBI LODR	No complaint was filed during the year under this Policy.	NA
Disclosure of 'Loans and advances in the nature of loans to firms/companies in which directors are interested	Clause m Part C Schedule V of SEBI LODR	Nil	NA

IX. Means of Communication

The quarterly, half-yearly and annual financial results of the Company are published in leading newspapers in India which include THE FREE PRESS JOURNAL (English newspaper) and Nav Shakti (Marathi regional newspaper). The results are also displayed on the Company's website i.e.www.tmf.co.in/investor zone/ TMFHL financial results. Financial Results, Statutory Notices and Press Releases after the declaration of the quarterly, half-yearly and annual results are submitted to the National Stock Exchange of India Limited (NSE) as well as uploaded on the Company's website.

X. General shareholder information

i. Annual General Meeting for FY 2022

Date: June 24, 2022
Time: 04:00 p.m. (IST)
Venue: Meeting through Video Conference

ii. **Financial Calendar**
Year ending: April 1 to March 31
Dividend Payment: NA

iii. **Date of Book Closure / Record Date**: NA

iv. **Listing on Stock Exchanges** :

Non-Convertible Debentures and Commercial Papers are listed on below Stock Exchanges:

National Stock Exchange of India Ltd (NSE)
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

v. **Stock Codes/Symbol**
NSE : Nil

The Company has paid Annual Listing fees for FY 2021-22 to the National Stock Exchnage (NSE) where the Company's securities are listed.

vi. **Corporate Identity Number (CIN) of the Company:** U65923MH2006PLC162503

vii. **Market Price Data:** Not applicable since Company's Equity shares are not listed.

viii. Registrars and Transfer Agents
Name and Address:
TSR Consultants Private Limited
C-101, 1st Floor, 247 Park
L.B.S. Marg, Vikhroli (West)
Mumbai - 400083
Tel: +91-22-66568484
Fax: +91-22-66568494
Email : csg-unit@tcplindia.co.in
Website : https://www.tcplindia.co.in

ix. Place for acceptance of Documents/ address for correspondence:
Mr. Vinay Lavannis, Company Secretary
Building A, 2nd Floor, Lodha I Think Techno Campus, Off. Pokharan Road No 2, Thane (West) 400 601

For the convenience of the security holders, documents will also be accepted at the following branches/agencies of TCPL

Place	Name and Address	Phone / Fax / Email
Mumbai	**Registered Office** TSR Consultants Private Limited C-101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai – 400083	Tel: +91-22-66568484 Fax: +91-22-66568494 Email : csg-unit@tcplindia.co.in Website : https://www.tcplindia.co.in

X. **Securities Transfer System**:

All transfer, transmission or transposition of securities, are conducted in accordance with the provisions of Companies Act, 2013, Regulation 40, Regulation 61 and Schedule VII of the SEBI Listing Regulations and other applicable statues. All requests for transfer and/or dematerilisation of securities held in physical form, if any, should be lodged with the office of the Company's Registrar & Share Transfer Agent, TSR Consultants Private Limited, Mumbai or at their branch offices or at the registered office of the Company for dematerialisation. Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company. All request to approve transfers of Equity shares are noted at subsequent Board Meetings/ Stakeholders relationship committee.

The following compliances pertain to share transfers, grievances, etc.:

(1) Pursuant to Regulation 7(3) of the SEBI Listing Regulations, certificates are filed with the stock exchanges on yearly basis by the Compliance Officer and the representative of the Registrar and Share Transfer Agent for maintenance of an appropriate Securities transfer facility.

(2) Pursuant to Regulation 13 of the SEBI Listing Regulations, a statement on pending investor complaints is filed with the stock exchanges and placed before the Board of Directors on a quarterly basis.

(3) Pursuant to Regulation 61(4) read together with Regulation 40(9) of the SEBI Listing Regulations, a Certificate by the Company Secretary-in-Practice is filed with the stock exchanges within one month from the end of the financial year, certifying that since all the Debentures were issued by the Company in Demat form, no physical debenture certificate were required to be delivered during the period from April 1, 2021 to March 31, 2022 pursuant to Regulation 61(4) read with Regulation 40(9) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

xi. Shareholder as on March 31, 2022:

a. Distribution of equity shareholding as on March 31, 2022: Not Applicable as Equity shares are not listed

b. Categories of equity shareholding as on March 31, 2022

Category	Number of equity shares held	Percentage of holding
Promoters	1,648,283,442	100
Other Entities of the Promoter Group	Nil	Nil
Mutual Funds & UTI	Nil	Nil
Banks, Financial Institutions, States and Central Government	Nil	Nil
Insurance Companies	Nil	Nil
Foreign Institutional Investors and Foreign Portfolio Investors – Corporate	Nil	Nil
NRI's / OCB's / Foreign Nationals	Nil	Nil
Corporate Bodies / Trust	Nil	Nil
Indian Public & Others	Nil	Nil
Alternate Investment Fund	Nil	Nil
IEPF account	Nil	Nil
GRAND TOTAL	1,648,283,442	100

c. Top ten equity shareholders of the Company as on March 31, 2022:

Sr. No	**Name of the Shareholder**	**Number of shares held**	**Amt paid up (Rs)**	**Percentage of shareholding**
1	Tata Motors Limited	1,648,283,436	16,482,834,360	100
2	Tata Motors Limited J/W Mr. P. B. Balaji	1	10	_
3	Tata Motors Limited J/W Mr. Girish Wagh	1	10	_
4	Tata Motors Limited J/W Mr. Hoshang Sethna	1	10	_
5	Tata Motors Limited J/W Mr. Vispi Patel	1	10	_
6	Tata Motors Limited J/W Mr. Ashok Kumar Koyari	1	10	_
7	Tata Motors Limited J/W Mr. Asim Mukopadhyay	1	10	_
Total		**1,648,283,442**	**16,482,834,420**	**100**

xii. Dematerialization of Shares and Liquidity:

The Company's shares are not listed and traded on any stock exchange. However, equity shares of the Company representing 100% of the Company's equity share capital are dematerialized as on March 31, 2022 except six equity shares of the Company which are held by Tata Motors Limited jointly with its representatives are in physical form. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's Equity shares is INE909H01019.

xiii. Equity Shares in the Suspense Account: Not applicable

xiv. Transfer of Unclaimed/Unpaid Amounts to the Investor Education and Protection Fund:

Pursuant to Sections 124 and 125 of the Act read with the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") to be read with Clause 61Aof SEBI (LODR), all unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as principal amount of debentures and deposits, sale proceeds of fractional shares, redemption amount of preference shares, etc. pertaining to the Company remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment, have to be transferred to the IEPF Authority, established by the Central Government. Furthermore, the IEPF Rules mandate companies to transfer shares of shareholders whose dividends remain unpaid / unclaimed for a period of 7 consecutive years to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of the Court, Tribunal or Statutory Authority, restraining any transfer of shares.

In light of the aforesaid provisions, the Company has not transferred any amount to IEPF during the year under review.

In the interest of the securities holders, the Company sends periodical reminders to the securities holders to claim their dividends/ interest/ principal amount in order to avoid transfer of dividends/interest/ principal amount on NCDs to IEPF Authority.

xv. Plant locations: Not Applicable

xvi. Address for correspondence:
Mr. Vinay Lavannis, Company Secretary
Building A, 2nd Floor, Lodha I Think Techno Campus, Off. Pokharan Road No 2, Thane (West) 400 601

xvii. List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad

No.	Instrument	CRISIL	ICRA	CARE
1.	Commercial Paper	CRISIL A1+	ICRA A1+	CARE A1+
2	Short Term Bank Facility	NA	NA	CARE A1+
3	Long Term Bank Facility	NA	ICRA AA-/ Stable	CARE AA-/ Stable
4	Non-Convertible Debenture	CRISIL AA-/ Stable	ICRA AA-/ Stable	CARE AA-/Stable
5	Perpetual Bonds	CRISIL AA-/ Stable	NA	NA

On behalf of the Board of Directors of

TMF HOLDINGS LIMITED

NASSER MUNJEE
Chairman

DIN: 00010180

Date: May 24, 2022

Declaration by the MD & CEO on Code of Conduct as required by Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Samrat Gupta, Managing Director and CEO of the Company hereby declare that all the members of Board of Directors and Senior Management Personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of the financial year 2021-22.

For **TMF HOLDINGS LIMITED**

SAMRAT GUPTA
Managing Director and CEO
(DIN: 07071479)

Date: May 24, 2022
Place: Mumbai

MD & CEO/CFO Certification in respect of Financial Statements and Cash Flow Statement (pursuant to regulation 17 (8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 For the Financial Year ended March 31, 2022

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March 2022 and we hereby certify and confirm to the best of our knowledge and belief the following:

a. The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

b. The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations.

c. There are no transactions entered in to by the Company during the year ended 31st March 2022 which are fraudulent, illegal or violative of Company's Code of Conduct.

d. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same.

e. There have been no significant changes in the above-mentioned internal controls over financial reporting during the relevant period.

f. That there have been no significant changes in the accounting policies during the relevant period.

g. We have not noticed any significant fraud particularly those involving the, management or an employee having a significant role in the Company's internal control system over Financial Reporting.

SAMRAT GUPTA	**RIDHI GANGAR**
Managing Director and CEO	**Chief Financial Officer**
DIN : 07071479	

Date: May 24, 2022
Place: Mumbai

CERTIFICATE BY PRACTICING COMPANY SECRETARY
(Pursuant to Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
TMF Holdings Limited
14, 4th Floor, Sir H.C. Dinshaw Building
16, Horniman Circle, Fort,
Mumbai-400001

Pursuant to Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and on the basis of the declaration received from the Directors of TMF HOLDINGS LIMITED(the 'Company'), I, Suhas Sadanand Ganpule, Company Secretary in Practice hereby declare that the under stated Directors of the Company are not debarred or disqualified from being appointed or to continue as Directors of the Company by the SEBI/ Ministry of Corporate Affairs or any other Statutory Authority for the year ended March 31, 2022:

Name of the Director	**DIN**
Mr. Nasser Mukhtar Munjee	00010180
Mr. Palamadai Sundararajan Jayakumar	01173236
Mrs. Varsha Vasant Purandare	05288076
Mrs. Vedika Bhandarkar*	00033808
Mr. Pathamadai Balachandran Balaji	02762983
Mr. Shyam Mani	00273598
Mr. Samrat Gupta	07071479

*Retired after completion of second term as Independent Director w.e.f. July 30,2021.

For SG & Associates
Practicing Company Secretaries

Suhas Ganpule
Proprietor
Membership No: A12122
C. P. No: 5722
UDIN: A012122D000373593

Date: 24th May 2022
Place: Mumbai

CERTIFICATE BY PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE

To
The Members of **TMF HOLDINGS LIMITED (“the Company”)**,

I have examined the compliance of the conditions of Corporate Governance by **TMF Holdings Limited (“the Company”),** for the year ended on March 31, 2022 as stipulated in regulations 17 to 27 and sub-regulation (1A) of Regulation 62 and Para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and as made applicable to the Company effective September 7, 2021 on a comply or explain basis until March 31, 2023, and the necessary explanation in the quarterly compliance report on Corporate Governance submitted to the Stock Exchange under Regulation 27(2)(a) of SEBI Listing Regulations.

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

I have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with corporate governance requirements by the Company.

Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and sub-regulation (1A) of Regulation 62 and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2022.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For S G & Associates
Practicing Company Secretary

Suhas S. Ganpule
Proprietor
Membership No: 12122
CP No: 5722
UDIN No:A012122D000373593

Date: May 24, 2022
Place: Mumbai

Independent Auditor's Report

To the Members of TMF Holdings Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of TMF Holdings Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 Standalone 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 these Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Key audit matter	**How the matter was addressed in our audit**
Information technology	
Information Technology ('IT') systems and controls: The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment	Our audit procedures to assess the IT system access management included the following: General IT controls and application controls • We tested a sample of key controls operating over the information technology in relation to the financial accounting and reporting systems, including system

could result in the financial accounting and reporting records being materially misstated. We have focused on user access management, change management, interface controls and system application controls over key financial accounting and reporting systems.	access and system change management, program development and computer operations. • We tested the design and operating effectiveness of key controls over user access management which includes granting access rights, new user creation, modification, removal of user rights, user access review and preventative controls designed to enforce segregation of duties. • For a selected group of key controls over financial and reporting systems, we independently performed procedures to determine the operating effectiveness of application controls. For those controls that were changed during the year, we tested the change management process. • We evaluated the design, implementation and operating effectiveness of the significant accounts related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission. • Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and that business users and developers did not have access to migrate changes in the production environment and the privileged access to applications, operating system and databases is restricted to authorized personnel. • For system implemented, we evaluated the program development related controls to determine whether adequate controls have been established to ensure that system implemented was authorized, tested, approved. Also, evaluated the SOCl Type2 report to determine the scope covered and controls associated with processes at Service Organisation.

Other Information

The Company's management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

The other information is expected to be made available to us after the date of this auditor's report. When we read the other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Financial Statements.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls systems with reference to the Standalone Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statement made by management and the Board of Directors.

- Conclude on the appropriateness of management and the Board of Director'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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, and rules made thereunder, as applicable.

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to the Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

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

h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations as on March 31, 2022 on its financial position in its Standalone Financial Statements – Refer Note 29 to the Standalone Financial Statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts due to be transferred to the Investor Education and Protection Fund by the Company.

   iv. a) The management has represented that to the best of its knowledge and belief, other than as those disclosed in the notes to the accounts, 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, whether, 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, other than as those disclosed in the notes to the accounts, 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, whether, 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 our audit procedures that we have 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 (a) and (b) contain any material mis-statement.

v. a) As stated in Note 19B(d)(ii) to the Standalone Financial Statements, the dividend proposed for the previous year, declared and paid by the Company during the current year is in accordance with Section 123 of the Act, as applicable.

b) As stated in Note 19B(d)(i) The Board of Directors of the Company have proposed dividend for the year which subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with Section 123 of the Act, to the extent applicable.

For **Sudit K. Parekh & Co. LLP**
Chartered Accountants
Firm Registration No. 110512W/W100378

Nemish Kapadia
Partner
Membership No. 111929
ICAI UDIN No: 22111929AIHXMU2196

Place: Mumbai
Date: May 2, 2022

Annexure "A" to the Independent Auditors' Report

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

i.(a)(A) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a)(B) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company does not have any intangible assets. Accordingly, paragraph 3(i)(a)(A) of the Order is not applicable to the Company.

(b) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Property, Plant and Equipment have been physically verified during the year by the management according to the phased program designed to cover all the Property, Plant and equipment on a rotation basis once in three years. Pursuant to such program, which is considered reasonable having regard to the size of the Company and nature of its business, a portion of the Property, Plant and equipment have been physically verified by the management during the year. Based on records made available to us, no material discrepancies were identified on such verification.

(c) According to information and explanations provided to us and based on our audit procedures, we conclude that the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Standalone Financial Statements forming part of the Property, Plant and Equipment are held in the name of the Company.

(d) According to the information and explanations provided to us and based on our audit procedures, we conclude that the Company has not revalued any Property, Plant and Equipment during the year. The Company does not have any Right of Use assets and intangible assets. Accordingly, paragraph 3(i)(d) of the Order is not applicable to that extent.

(e) According to the information and explanations provided to us and based on our audit procedures, we conclude that there are no proceedings being 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.

ii.(a) According to the information and explanations provided to us us and based on our audit procedures, we are of the opinion that the nature of Company's business is such that the Company does not hold any inventory. Accordingly, paragraph 3(ii)a of the Order is not applicable to the Company.

(b) According to the information and explanations provided to us and based on our audit procedures, we conclude that the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

iii. According to the information and explanations given to us and based on our audit procedures, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to firms and Limited Liability Partnerships or any other parties. However, the Company has made investments in and granted unsecured loans to companies, during the year, in respect of which:

(a) According to the information and explanation given to us and based on our audit procedures, the Company is in the principal business of giving loans, Accordingly, paragraph 3(iii)(a) of the Order is not applicable.

(b) According to the information and explanation given to us and based on our audit procedures, the investments made, and the conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the interest of the Company.

(c) According to the information and explanation given to us and based on our audit procedures, in respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to the information and explanation given to us and based on our audit procedures, in respect of the loans and advances in the nature of loans, there does not exist any overdue amount remaining outstanding as at the balance sheet date.

(e) According to the information and explanation given to us and based on our audit procedures, the Company is in the principal business of giving loans. Accordingly, paragraph 3(iii)(e) of the Order is not applicable.

(f) The Company has granted loans or advances in the nature of loans repayable on demand, details of which are mentioned as below:

(Amount in INR: Lakhs)

Particulars	All Parties	Promoters	Related parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	376,000	-	376,000
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	**376,000**		**376,000**
Percentage of loans/ advances in nature of loans to the total loans	100%	-	100%

iv. According to the information and explanations provided to us and based on our audit procedures, there are no loans/guarantee or security provided in connection with any loan which have been given to directors, or to any other person in whom the director is interested during the year. Accordingly, provisions of Section 185 of the Companies Act, 2013 ('the Act') are not applicable to the Company. According to the information and explanations provided to us and based on our audit procedures, the Company has complied with the applicable provisions of Section 186 of the Act in respect of loans, investments, guarantees and securities granted.

v. The Company is a non-banking financial company and consequently is exempt from the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

vi. According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for any of the services of the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

vii.(a) According to the information and explanations provided to us and based on our audit procedures and our examination of the records of the Company, we are of the opinion that the amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Income Tax, cess, goods and services tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As per the records of the Company, as at March 31, 2022, the Company does not have any undisputed statutory dues which are outstanding for a period of more than six months from the date they became payable.

(b) According to the information and explanations provided to us and based on our audit procedures and our examination of the records of the Company, we are of the opinion that the Company does not have any dues as at March 31, 2022 in respect of cess, goods and services tax and other material statutory dues which have not been deposited on account of any dispute except in case of Income Tax, the details of which are provided below:

(Amount in Lakhs)

Nature of statute	Nature of dues	Amount (Rs.)	Period to which it relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax	8,169.58	AY 2017-18	CIT (A)

viii. According to the information and explanations provided to us and based on our audit procedures and our examination of the records of the Company, we conclude that there have been no transactions relating to previously unrecorded incomes in the books of account that have been surrendered or disclosed as income during the year, in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix.(a) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company has not defaulted in repayment of loan(s) and/or other borrowing(s) or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and based on our audit procedures, we are of the opinion that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company has not availed for any term loan. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and based on our audit procedures, and on an overall examination of the Standalone Financial Statements of the Company, we are of the opinion that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and based on our audit procedures and on an overall examination of the Standalone Financial Statements of the Company, we are of the opinion that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and based on our audit procedures, we are of the opinion that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.

x.(a) According to the information and explanations given to us and based on our audit procedures, we are of the opinion that the Company has not raised money by way of initial public offer/ further public offer (including debt instruments). Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations provided to us and based on our audit procedures and records of the Company, we conclude that the Company has not made any preferential allotment or private placement of shares or fully / partly / optionally convertible debentures during the year.

xi.(a) According to the information and explanations provided to us and based on our audit procedures and the records produced to us for the purpose of reporting the true and fair view of the Standalone Financial Statements of the Company, we have not come across any instance of material fraud by the Company or any fraud on the Company during the year. Accordingly, paragraph 3(xi)(a) of the Order is not applicable to the Company.

(b) We have not filed any report under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As per the information and explanation provided by the Company, there are no whistle-blower complaints received during the year by the Company.

xii. According to the information and explanations provided to us and based on our audit procedures, in our opinion, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations provided to us and based on our audit procedures and records of the Company, we are of the opinion that the transactions with related parties undertaken by the Company during the year, are in accordance with the provisions of Sections 177 and 188 of Act, to the extent applicable and the details in respect of such transactions to the extent required have been disclosed in the Standalone Financial Statements, as per the applicable Indian Accounting Standards.

xiv.(a) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) According to the information and explanations provided to us and based on our audit procedures, we conclude that all the internal audit reports for the period under audit have been considered by us.

xv. According to the information and explanations given to us and based on our audit procedures, we are of the opinion that during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.

xvi.(a) According to the information and explanations provided to us and based on our audit procedures, and as per the record of the Company, we are of the opinion that the Company has obtained registration as required in terms of provisions of section 45-IA of the Reserve Bank of India Act, 1934.

(b) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company has conducted Non-Banking Financial activities after obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company is a Core Investment Company as defined in the regulations made by Reserve Bank of India (RBI) and has obtained registration with RBI as per the Core Investment Companies (Reserve Bank) Directions 2016. The Company has complied with all the directions provided in the Core Investment Companies (Reserve Bank) Directions 2016 as updated from time to time along with periodical filings with RBI.

(d) According to the information and explanation provided to us by the Company, the Group has five Core Investment Companies (CICs) which are registered with the Reserve Bank of India (RBI) and one CIC which is not required to be registered with the RBI.

xvii. According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that, the Company has not incurred cash losses during the current financial year (FY 2021-22), however the Company had incurred cash losses in the preceding financial year (FY 2020-21) amounting to Rs. 9,205.47 lakhs.

xviii. According to the information and explanations provided to us and based on our audit procedures, we conclude that, the erstwhile statutory auditors of the Company had resigned during the year by virtue of the RBI Directions and the incoming auditors appointed by virtue of Section 143(8) of the Act have communicated to the previous auditors and have obtained the No Objection Certificate (NOC) from them before accepting the appointment.

Annexure "A" to the Independent Auditors' Report (Continued)

TMF Holdings Limited

xix. According to the information and explanations given to us and based on our audit procedures and 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further opine 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 are no 'other than ongoing projects', wherein the Company has an unspent amount required to be transferred to a Fund specified in Schedule VII to the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that there are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to special account in compliance with the provision of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For **Sudit K. Parekh & Co. LLP**
Chartered Accountants
Firm Registration No: 110512W/W100378

Nemish Kapadia
Partner
Membership No: 111929
ICAI UDIN No: 22111929AIHXMU2196

Place: Mumbai
Date: May 2, 2022

Annexure "B" to the Independent Auditors' Report
(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of the TMF Holdings Limited)

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 over financial reporting with reference to the Standalone Financial Statements of TMF Holdings Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to the Standalone Financial Statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to the Standalone Financial Statements over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 over financial reporting with reference to the Standalone 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 over financial reporting with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Annexure "B" to the Independent Auditors' Report (Continued)

TMF Holdings Limited

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 over financial reporting with reference to the Standalone Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to the Standalone 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 over financial reporting with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Sudit K. Parekh & Co. LLP**
Chartered Accountants
Firm Registration No: 110512W/W100378

Nemish Kapadia
Partner
Membership No: 111929
ICAI UDIN No: 22111929AIHXMU2196

Place: Mumbai
Date: May 2, 2022

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Standalone Balance Sheet as at March 31, 2022

(Rs. in lakhs)

	Particulars	Notes	As at March 31, 2022	As at March 31, 2021
I	**ASSETS**			
1	**Financial assets**			
(a)	Cash and cash equivalents	4	87,850.45	1,254.90
(b)	Bank balance other than cash and cash equivalents	5	10,000.00	10,000.00
(c)	Receivables			
	i. Trade receivables	6	-	90.14
	ii. Other receivables	7	10.24	43.55
(d)	Investments	9	7,21,477.11	7,77,706.11
(e)	Other financial assets	8	3,477.93	3,647.96
			8228,15.73	**7927,42.66**
2	**Non-financial assets**			
(a)	Current tax assets (net)		5,943.93	3,665.52
(b)	Property, plant and equipment	10	1,893.89	3,521.04
(c)	Other non-financial assets	11	34.04	217.03
			7,871.86	**7,403.59**
	Total assets		**8306,87.59**	**8001,46.25**
II	**LIABILITIES AND EQUITY**			
1	**Financial liabilities**			
(a)	Payables	12		
	(i) Trade payables			
	- total outstanding dues of micro enterprises and small enterprises		0.04	-
	- total outstanding dues of creditors other than micro enterprises and small enterprises		96.26	66.22
	(ii) Other payables			
	- total outstanding dues of micro enterprises and small enterprises		-	-
	- total outstanding dues of creditors other than micro enterprises and small enterprises		6.61	572.62
(b)	Debt securities	13	2,44,275.48	2,45,026.76
(c)	Borrowings (Other than debt securities)	14	1,276.54	2,454.80
(d)	Other financial liabilities	15	1,619.18	3,891.83
			2472,74.11	**2520,12.23**
2	**Non-financial liabilities**			
(a)	Current tax liabilities (net)		233.36	235.31
(b)	Provisions	16	42.33	16.24
(c)	Other non-financial liabilities	17	26.96	194.41
			3,02.65	**4,45.96**
3	**Equity**			
(a)	Equity share capital	18	1,64,828.34	1,64,828.34
(b)	Instruments entirely equity in nature	18A	1,80,000.00	1,35,000.00
(c)	Other equity		2,38,282.49	2,47,859.72
			5831,10.83	**5476,88.06**
	Total liabilities and equity		**8306,87.59**	**8001,46.25**

See accompanying notes forming part of standalone financial statements (1 to 48)

As per our report of even date attached
For Sudit K. Parekh & Co. LLP
Chartered Accountants
Firm Registration Number: 110512W/W100378

For and on behalf of the Board of Directors

P. S. JAYAKUMAR
Director
(DIN - 01173236)

P.B. BALAJI
Director
(DIN - 02762983)

Nemish Kapadia
Partner
Membership No. 111929

SAMRAT GUPTA
Managing Director and CEO
(DIN - 07071479)

Place : Mumbai
Date: May 2, 2022

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary

Place: Mumbai
Date: May 2, 2022

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Standalone Statement of Profit and Loss for the year ended March 31, 2022

(Rs. in lakhs)

	Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
	Revenue from operations			
	(a) Interest income	19	11,632.07	7,345.20
	(b) Dividend income		8,494.84	1,850.00
	(b) Rental income		643.17	770.02
	(c) Net gain on fair value changes	20	1,367.58	534.50
	(d) Other fees and service charges		59.00	22.04
I	**Total Revenue from operations**		**221,96.66**	**105,21.76**
II	Other income	21	9,332.84	5,230.16
III	**Total income (I + II)**		**315,29.50**	**157,51.92**
IV	**Expenses:**			
	(a) Finance cost	22	25,638.99	24,002.34
	(b) Employee benefits expenses	23	10.16	487.97
	(c) Depreciation and impairment	10	80.13	136.21
	(d) Other expenses	24	439.25	377.65
	Total expenses		**261,68.53**	**250,04.17**
V	**Profit/(Loss) before exceptional items and tax (III - IV)**		**53,60.97**	**(92,52.25)**
VI	**Exceptional items**		**-**	**-**
VII	**Profit/(Loss) before tax (V - VI)**		**53,60.97**	**(92,52.25)**
VIII	**Tax expense**			
	Current tax		-	4.59
	Deferred tax		-	1,737.83
	Total tax expense		**-**	**1,742.42**
IX	**Profit/(Loss) for the year (VII - VIII)**		**53,60.97**	**(109,94.67)**
X	**Other comprehensive income**			
	A Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans		(3.27)	4.20
	Subtotal (A)		**(3.27)**	**4.20**
XI	**Total comprehensive income for the year (IX + X)**		**53,57.70**	**(109,90.47)**
XII	**Earnings per share of Rs 10 each**			
	Basic (in Rs.)		(0.33)	(0.63)
	Diluted (in Rs.)		(0.33)	(0.63)

See accompanying notes forming part of standalone financial statements (1 to 48)

As per our report of even date attached
For Sudit K. Parekh & Co. LLP
Chartered Accountants
Firm Registration Number: 110512W/W100378

For and on behalf of the Board of Directors

P. S. JAYAKUMAR
Director
(DIN - 01173236)

P.B. BALAJI
Director
(DIN - 02762983)

Nemish Kapadia
Partner
Membership No. 111929

SAMRAT GUPTA
Managing Director and CEO
(DIN - 07071479)

Place : Mumbai
Date: May 2, 2022

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary

Place: Mumbai
Date: May 2, 2022

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Standalone Statement of Changes in Equity for the year ended March 31, 2022

A. Equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Rs. In lakhs	Number	Rs. In lakhs
Shares outstanding at the beginning of the year	1,64,82,83,442	1648,28.34	1,64,82,83,442	1648,28.34
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	1,64,82,83,442	1,64,828.34	1,64,82,83,442	1,64,828.34
Changes in equity share capital during the current year				
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,64,82,83,442	1648,28.34	1,64,82,83,442	1648,28.34

B. Instruments entirely equity in nature

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Rs. In lakhs	Number	Rs. In lakhs
Balance as at beginning of the year	10,000	1350,00.00	-	-
Issued during the year	4,500	450,00.00	10,000	1350,00.00
Balance as at end of the year	14,500	1800,00.00	10,000	1350,00.00

C.Other equity (Rs. in lakhs)

Particulars	Equity component of compound financial instrument (Refer Note 19B)	Reserve and surplus					Total
		Special reserve*	Securities premium account	Capital reserve	Retained earnings		
					Undistributable (IndAS 101)	Distributable	
Balance as at April 1, 2021	370,72.59	247,10.68	1669,62.94	50,90.59	5,52.86	13,470.06	2,47,859.72
Profit for the year	-	-	-	-	-	53,60.97	5,360.97
Remeasurements of the defined benefit plans	-	-	-	-	-	(3.27)	(3.27)
Distributions made to holders of instruments entirely equity in nature	-	-	-	-	-	(11,050.90)	(11,050.90)
Issue expenses pertaining to instrument entirely equity in nature	-	-	-	-	-	(38,84.03)	(3,884.03)
Transfer to Special Reserve	-	1072.19		-	-	(1,072.19)	-
Balance as at March 31, 2022	**37,072.59**	**25,782.87**	**1,66,962.94**	**5,090.59**	**552.86**	**2,820.64**	**2,38,282.49**

(Rs. in lakhs)

Particulars	Equity component of compound financial instrument (Refer Note 19B)	Reserve and surplus					Total
		Special reserve	Securities premium account	Capital reserve	Retained earnings		
					Undistributable (IndAS 101)	Distributable	
Balance as at April 1, 2020	370,72.59	247,10.68	1669,62.94	50,90.59	5,52.86	316,95.32	2660,84.98
Loss for the year	-	-	-	-	-	(110,06.05)	(110,06.05)
Remeasurements of the defined benefit plans	-	-	-	-	-	4.20	4.20
Dividend paid (including dividend tax)	-	-	-	-	-	-	-
Premium on equity shares issued	-	-	-	-	-	-	-
Issue expenses on perpetual debentures	-	-	-	-	-	(72,23.41)	(72,23.41)
Transfer to Special Reserve	-	-	-	-	-	-	-
Balance as at March 31, 2021	**370,72.59**	**247,10.68**	**1669,62.94**	**50,90.59**	**5,52.86**	**134,70.06**	**2478,59.72**

***Transfer to special reserve:** As per Section 45-IC of Reserve Bank of India Act, 1934, the Company is required to create a reserve fund and transfer therein a sum not less than 20% of its net profit every year before any dividend is declared. No appropriation of any sum from the reserve fund can be made by the Company except for the purpose as may be specified by the Reserve Bank of India from time to time and every such appropriation shall be reported to the Reserve Bank of India within twenty-one days from the date of such withdrawal. The Company transfers said amount at the end of the financial year.

See accompanying notes forming part of standalone financial statements (1 to 48)

As per our report of even date attached
For Sudit K. Parekh & Co. LLP
Chartered Accountants
Firm Registration Number: 110512W/W100378

For and on behalf of the Board of Directors

P. S. JAYAKUMAR
Director
(DIN - 01173236)

P.B. BALAJI
Director
(DIN - 02762983)

Nemish Kapadia
Partner
Membership No. 111929

SAMRAT GUPTA
Managing Director and CEO
(DIN - 07071479)

Place : Mumbai
Date: May 2, 2022

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary

Place: Mumbai
Date: May 2, 2022

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Standalone Cash Flow Statement for the year ended March 31, 2022

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) before tax for the year	5,360.97	(9,252.25)
Adjustments for:		
Interest income on loans, deposits and investments	(11,632.07)	(7,345.20)
Balance written back	4.91	-
Finance costs	25,638.99	24,002.34
Depreciation and impairment	80.13	136.21
Gain on sale of investments	(1,409.43)	(492.11)
Net (gain)/loss on fair value changes (unrealised)	-	(73.45)
Dividend income	(8,494.84)	(1,850.00)
Profit on sale of property, plant and equipment	(1,994.79)	(9.61)
Operating cash flow before working capital changes	**75,53.87**	**51,15.94**
Movements in working capital		
Trade receivables	90.14	1,385.49
Other receivables	33.32	13.90
Trade payables	30.08	(53.12)
Other payables	(570.92)	72.67
Other financial assets	14.11	(26.02)
Other non financial assets	182.99	(195.54)
Other financial liabilities	(0.02)	36.33
Provision for employee benefit expenses	22.81	(0.84)
Other non financial liabilities	(167.44)	(97.73)
	71,88.94	**62,51.08**
Finance costs paid	(37,842.72)	(19,232.67)
Dividend income	8,494.84	1,850.00
Interest income received on loans, deposits and investments	11,787.99	6,890.51
Income taxes (paid)/refund (net)	(2,280.36)	5,227.78
Net cash (used in)/generated from operating activities	**(126,51.31)**	**9,86.70**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	3,541.78	12.67
Purchase of mutual fund units	(8,37,158.14)	(5,28,780.31)
Redemption of mutual fund units	9,22,938.82	4,50,253.90
Redemption of Non - Convertible Debentures (NCDs)	4,700.00	10,300.00
Investment in debentures of subsidiaries and joint ventures	-	-
Investment in preference shares of subsidiaries and joint ventures	(32,842.24)	(45,776.77)
Deposits with more than 3 months maturity and restricted deposits / balances	-	(99,98.13)
Net cash generated from/(used in) investing activities	**611,80.22**	**(1239,88.64)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Distributions made to holders of instruments entirely equity in nature	(11,050.89)	-
Proceeds from issue of instruments entirely equity in nature (net of issue expenses)	41,115.97	1,27,776.59
Dividend Paid on Compulsorily Convertible Preference Shares	(1,302.00)	-
Proceeds from borrowings (other than debt securities)	500.00	1,82,500.00
Repayment of borrowings (other than debt securities)	(500.00)	(2,17,500.00)
Proceeds from issue of debt securities	1,76,372.36	2,20,397.19
Repayment of debt securities	(1,67,068.79)	(2,00,539.03)
Net cash generated from financing activities	**380,66.65**	**1126,34.75**
Net (decrease) in cash and cash equivalents (A + B + C) [Refer: Note below]	**865,95.55**	**(103,67.20)**
Cash and cash equivalents at the beginning of the year	12,54.90	116,22.10
Cash and cash equivalents at the end of the year (Refer Note 4)	878,50.45	12,54.90

Note:
1) Finance costs has been considered as arising from operating activities in view of the nature of the Company's business.
2) The Statement of Cash Flows has been presented using indirect method as per the requirements of Ind AS 7 Statement of Cash Flows.

In terms of our report attached

As per our report of even date attached
For Sudit K. Parekh & Co. LLP
Chartered Accountants
Firm Registration Number: 110512W/W100378

For and on behalf of the Board of Directors

P. S. JAYAKUMAR
Director
(DIN - 01173236)

P.B. BALAJI
Director
(DIN - 02762983)

Nemish Kapadia
Partner
Membership No. 111929

SAMRAT GUPTA
Managing Director and CEO
(DIN - 07071479)

Place : Mumbai
Date: May 2, 2022

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary

Place: Mumbai
Date: May 2, 2022

1 Company information

TMF Holdings Limited (the "Company") is registered as a Non-Banking Financial (Non-Deposit Accepting or Holding) Company ("NBFC") under section 45-IA of the Reserve Bank of India ('RBI'), Act 1934 with effect from August 9, 2006. Pursuant to application requesting for conversion of the Company to a Core Investment Company, submitted to RBI on June 23, 2017, RBI issued a fresh Certificate of Registration of NBFC - Non Deposit taking - Systemically Important - Core Investment Company (CIC) dated October 12, 2017 to the Company. The Company is a subsidiary of Tata Motors Limited. With effect from June 17, 2017, the name of the Company has changed to TMF Holdings Limited from Tata Motors Finance Limited.
The Company is primarily a holding company, holding investments in its subsidiaries, associates and other Group companies.
The standalone financial statements were approved by the Board of Directors and authorised for issue on May 2, 2022.

2 Basis of preparation of standalone financial statements

2.1 Statement of compliance

The standalone 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 standalone financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 3 (i) - use of estimates and judgements.
The standalone financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except when otherwise indicated.

2.2 Historical cost convention

The standalone 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.

2.3 Presentation of standalone financial statements

The standalone financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, 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 SIGNIFICANT ACCOUNTING POLICIES

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

(i) Use of estimates and judgments

The preparation of the standalone financial statements 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 standalone 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 standalone financial statements are included in following notes :

a) Note 3 (xiv)- Business model assessment for classification and measurement of financial assets
b) Note 3(xiv) - Impairment of financial assets based on the expected credit loss model
c) Note 3(ii) - Recognition of interest income/expenses using Effective Interest Rate (EIR) method.
d) Note 3(vi) - Useful lives of property, plant and equipment and intangible assets.
e) Note 3(ix) and 40 - Measurement of assets and obligations of defined benefit employee plans.
f) Note 3(iii) and 25 - Recognition of deferred tax assets.
g) Note 3(x) - Measurement and recognition of provisions and contingencies.
h) Note 3(xiv) and 43 - Fair value measurement of financial instruments.
i) Note 29 - Disclosure of contingent liabilities.
j) Note 3(viii) & (xiv)- Effective Interest Rate (EIR) methodology that represents the best estimate of a constant rate of return over the expected behavioural life of financial instruments.

(ii) Revenue recognition

(A) Revenue from operations

Interest Income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset.

The EIR in case of a financial asset is computed

- the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- by considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees/service charges and incentives paid and received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Dividend income

Dividend income is recognised in the Statement of Profit and Loss on the date when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured.

Rental Income

Rental income arising from operating lease is recognised on a straight-line basis over the lease term.

Fees and Commission Income

Fees and commissions which do not form part of the effective interest rate calculation are recognised when the Company satisfies the performance obligation and are accrued as and when they are due.

(B) Other Income:

Support Services Fee income earned for the services rendered are recognized as and when they are due

(iii) Income Taxes

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the Statement of Profit & 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.

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.

(iv) Cash and Cash equivalent

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

(v) Earning per share

Basic earnings per share has been computed by dividing profit for the year by the weighted average number of shares outstanding during the year. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

(vi) Property, Plant and equipment (PPE)

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.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods, and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses, are charged to the Statement of Profit and Loss during the period in which they are incurred.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss, arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the asset, and is recognised in the Statement of Profit and Loss.

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.
Schedule II to the Companies Act 2013 ('Schedule') prescribes the useful lives for various class of assets. For certain class of assets, based on technical evaluation and assessment, Management believes that, the useful lives adopted by it reflects the periods over which these assets are expected to be used. Accordingly for those assets, the useful lives estimated by management are different from those prescribed in the Schedule. Management's estimates of the useful lives for various class of PPE are as given below:

Type of Asset	Estimated useful life
Office premises	60 years
Furniture and Fixture	5 to 10 years
Office Equipment	2 to years
Vehicles On Operating Lease	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.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition. Depreciation on deductions/ disposals is provided on a pro-rata basis upto the month preceding the month of deduction/disposal.

However, leasehold improvements and PPE located in leasehold premises are depreciated on a straight-line method over shorter of their respective useful lives or the tenure of the lease arrangement.

Individual assets costing less than Rs. 5,000/- are expensed off at the time of purchase.

(vii) 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 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 an vehicle and hence these are classified as operating lease. These assets given on operating lease are included in Property Plant and Equipment (PPE). Depreciation on the vehicle 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.

(viii) Impairment of Non financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

(ix) Employee benefits

(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

(1) Defined contribution plans

Superannuation fund

For superannuation fund, 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.

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 parent company and is charged to the Statement of Profit and Loss on accrual basis.

(2) Defined benefit plans

(a) Provident fund

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions, as specified under the law, are made to the provident fund set up as an irrevocable trust by Tata Motors Limited ("the parent Company"). The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall on account of , if any, shall be made good by the Company. The total liability in respect of the principal and interest shortfall of the Fund is determined on the basis of an actuarial valuation. The principal and interest liability arising only to the extent of the aforesaid differential shortfalls is a defined benefit.

(b) 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 has 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 year 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.

(C) Other long term employee benefit plans

(1) Defined benefit plans

(a) Compensated absences

The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the year 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.

(x) 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 standalone financial statements.

(xi) Dividend

Any dividend declared or paid by Company is based on the profits available for distribution as reported in the standalone financial statements. Indian law mandates that dividend be declared out of distributable profits, after setting off un-provided losses and depreciation of previous years. In case of inadequacy or absence of profits in a particular year, a company may pay dividend out of accumulated profits of previous years transferred to Statement of Profit and Loss. However, in the absence of accumulated profits a company may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in these standalone financial statements may not be fully distributable.Further, Declaration of dividend from the profits of the financial year ending March 31, 2022 are also subject to guidelines of RBI in this regard.

(xii) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The power to assess the financial performance and position of the Company and make strategic decisions is vested in the Board of Directors committee who has been identified as the chief operating decisions maker.

(xiii) Investment in Subsidiaries and Joint Ventures

Investments in Subsidiaries and Joint Ventures are measured at cost as per Ind AS 27 – Separate Financial Statements.

(xiv) Financial instruments

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.

(A) 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 emdedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Classification and Subsequent measurement

For the purposes of initial recognition, financial assets are classified in the following categories
a. at amortised cost, or
b. at fair value through other comprehensive income (FVTOCI), or
c. at fair value through profit or loss (FVTPL)

The above classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flow.

(I) Debt Instruments

Initial classification of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

(a) At amortised cost:

A debt instrument is measured at amortised cost, if both the following conditions are satisfied/ fulfilled
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets 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 income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to finance receivables and investments.

(b) At FVTOCI:

A debt instrument is classified at FVTOCI, if both of the following criteria are met:
- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the OCI. However, the Company recognises interest income, impairment losses and reversals in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(c) At FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortized cost or as FVTOCI, is classified as at FVTPL.
In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').
Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.
Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not seperated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

(II) Equity Instruments/investments

Investments in equity instruments are measured at fair value. Equity instruments, which are held for trading, are classified as at FVTPL. For equity instruments, other than held for trading, the Company has irrevocable option to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Company classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment.
Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

(III) 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 except for

- equity instruments which are not subject to impairment under Ind AS 109, and
- other debt financial assets held at fair value through profit or loss (FVTPL)

The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial assets ('lifetime ECL), unless there had been no significant increase in credit risk of a default occuring since origination or initial recognition, in which case, the impairment allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL (both life time and 12 months) are calculated on a collective basis considering the homogeneous nature of the underlying portfolio of financial assets.

The impairment methodology applies depends on whether there has been significant increase in credit risk. When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forward-looking information.

The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). The Company has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial assets. The Company categorises financial assets at the reporting date into stages based on the days past due ('DPD') status as under:

- Stage 1: Low credit risk, i.e. 0 to 30 days past due
- Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due
- Stage 3: Credit Impaired assets, i.e. more than 90 days past due or cases where the Company suspects fraud and legal proceedings are initiated.

Definition of default

The Company considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

LGD is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered as default. PD estimation process is carried out based on historical internal data available with the Company.

EAD represents gross carrying amount at the reporting date in case of Stage 1 and Stage 2. In case of Stage 3 loans EAD represents gross carrying amount at the time when the default occurred for 1st time.

Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, Brent rates, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, determined by the Company based on its internal data. While the internal estimates of PD, rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Based on the consideration of external actual and forecast information, the Company forms a 'base case' view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

Collateral valuation:

The Company creates & secures first and exclusive collateral charge at the time of loan origination on all vehicles for which vehicle financing loans are given. Hypothecation endorsement is obtained in favour of the Company in the Registration Certificate of the Vehicle funded under the vehicle finance category (98% secured - tangible assets) . Any surplus remaining after settlement of outstanding loan by way of sale of vehicle (collateral) is returned to the customer. Other than the above the Company secures the loss against loans financed to customers by obtaining 100% third party credit guarantees

The measurement of impairment losses across all the categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of standalone financial statements. The Company regularly reviews its models in the context of actual loss experience and makes adjustments when such differences are significantly material.

The amount of ECL (or reversal) at the reporting date is recognised as an impairment loss/(gain) in the statement of profit and loss.

ECL on Debt instruments measured at amortised cost

The ECLs for debt instruments measured at amortised cost reduce the gross carrying amount of these financial assets in the balance sheet.

ECL on Debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the gross carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

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.

(IV) Derecognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises an associated liability as collateralised borrowing for the proceeds received.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI, and accumulated in equity is recognised in the Statement of Profit and Loss.

(B) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments, issued by the Company, are classified as either financial liabilities or as equity, in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(I) 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, including bank overdrafts and cash credit facility and derivative financial instruments.

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 at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company, that are not designated and effective as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

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.

Derecognition of financial liabilities:

The Company de-recognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

Modification/Renegotiation that do not result in derecognition

Changes to the carrying amount of a financial liability as a result of renegotiation or modification of terms that do not result in derecognition of the financial liability, is recognised in the Statement of Profit and Loss. Any subsequent changes in the estimation of the future cash flows of financial liability is recognised under finance cost in the statement of profit or loss with the corresponding adjustment to the carrying amount of the financial liability.

(II) Equity Instrument

An equity instrument is any contract that evidences residual interests in the assets of the Company after deducting all of its liabilities. Incremental costs incurred which are directly attributable to the issue of new shares are shown in equity as deduction, net of tax, from the proceeds.

(III) Compound financial Instrument

The components of compound financial instruments issued by the Company are classified seperately as financial liabilities and equity in accordance with the substance of the contractual arrangements and definitions of a financial liability and an equity instrument. A conversion option that will be settled by exchange of fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest rate method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of liability component from the fair value of the compound financial instruments as a whole. This is recognised and included in equity, net of tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible instrument are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the life of the convertible instrument using effective interest rate method.

(xv) Fair value measurement

The Company measures financial instruments, such as investments and derivatives at fair values at each Balance Sheet date.
The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models.

(xvi) Offsetting financial instruments

Financial assets and financial liabilities are offset when it currently has a legally enforceable right (not contingent on future events) to off-set the recognised amounts and the Company intends either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(xvii) Recent Accounting Pronouncement

(A) There are no new accounting pronouncement by MCA during the year.
(B) There are no amendments to existing standards during the year.

Note 4
Cash and cash equivalents

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with banks	3,50.45	12,54.90
Bank deposit with maturity of less than 3 months	875,00.00	-
Total	**878,50.45**	**12,54.90**

Note 5
Bank balance other than cash and cash equivalents

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits with banks	100,00.00	100,00.00
Total	**100,00.00**	**100,00.00**

Note 6
Trade receivables

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Receivables considered good - Unsecured	-	90.14
Total	**-**	**90.14**

No trade receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade receivable are due from firms including limited liablity partnership (LLP) or private companies respectively in which any director is a partner, a director or a member.

As at March 31, 2022						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

As at March 31, 2021						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	90.06	0.08	-	-	-	90.14
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Note 7

Other receivables

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Receivables considered good - Unsecured	10.24	43.55
Total	**10.24**	**43.55**

No other receivables 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 including limited liablity partnership (LLP) or private companies respectively in which any director is a partner, a director or a member.

Note 8

Other financial assets

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits	44.97	44.97
Interest accrued on deposits and investments	34,32.96	35,88.88
Others	-	14.11
Total	**34,77.93**	**36,47.96**

Note 9
Investments **(Rs. in lakhs)**

Particulars	As at March 31, 2022				As at March 31, 2021			
	Amortised cost	At fair value through profit or loss	Others (at cost)	Total	Amortised cost	At fair value through profit or loss	Others (at cost)	Total
i. Mutual funds	-	-	-	-	-	843,71.24	-	843,71.24
ii. Debt securities	608,35.00	-	-	608,35.00	655,35.00	-	-	655,35.00
iii. Preference Shares								
-Subsidiaries	-	-	1456,19.01	1456,19.01	-	-	1127,76.77	1127,76.77
iv Equity instruments								
-Subsidiaries	-	-	5158,58.10	5158,58.10	-	-	5158,58.10	5158,58.10
-Joint Venture	-	-	2,65.87	2,65.87	-	-	2,65.87	2,65.87
Total (A) - Gross	**608,35.00**	**-**	**6617,42.98**	**7225,77.98**	**655,35.00**	**843,71.24**	**6289,00.74**	**7788,06.98**
i. Investments outside India	-	-	-	-	-	-	-	-
ii. Investments in India	608,35.00	-	6617,42.98	7225,77.98	655,35.00	843,71.24	6289,00.74	7788,06.98
Total (B)	**608,35.00**	**-**	**6617,42.98**	**7225,77.98**	**655,35.00**	**843,71.24**	**6289,00.74**	**7788,06.98**
Less: Allowance for impairment loss **(C)**	(8,35.00)	-	(2,65.87)	(11,00.87)	(8,35.00)	-	(2,65.87)	(11,00.87)
Total (D) = (A+C)	**600,00.00**	**-**	**6614,77.11**	**7214,77.11**	**647,00.00**	**843,71.24**	**6286,34.87**	**7777,06.11**

Details of Investments **(Rs. in lakhs)**

Particulars	As at March 31, 2022		As at March 31, 2021	
a) Measured at Fair value through profit and loss	**Quantity**	**Amount**	**Quantity**	**Amount**
i) Investment in mutual fund	-	-	9,92,334	843,71.24
Total	**-**	**-**	**9,92,334**	**843,71.24**
b) Measured at Amortised Cost				
i) Debt Securities (quoted)				
(a) Fully paid unsecured subordinated non-convertible debentures				
Tata Motors Finance Limited [Coupon rate - 10%]	-	-	470	47,00.00
Tata Motors Finance Limited [Coupon rate - 9.95%]	2,000	200,00.00	2,000	200,00.00
Subtotal	2,000	200,00.00	2,470	247,00.00
ii) Debt Securities (unquoted)				
(a) Fully paid unsecured subordinated non-convertible debentures				
Tata Motors Finance Limited [Coupon rate - 9%]	2,000	200,00.00	2,000	200,00.00
Tata Motors Finance Limited [Coupon rate - 10%]	1,000	100,00.00	1,000	100,00.00
Tata Motors Finance Limited [Coupon rate - 10.25%]	1,000	100,00.00	1,000	100,00.00
Subtotal	4,000	400,00.00	4,000	400,00.00
(b) Fully paid unsecured optionally convertible zero coupon debentures				
Loginomic Tech Solutions Private Limited ("TruckEasy")	8,35,000	8,35.00	8,35,000	8,35.00
Less: Allowance for impairment loss		(8,35.00)		(8,35.00)
Subtotal	8,35,000	-	8,35,000	-
Total		**600,00.00**		**647,00.00**
c) Measured at cost				
i) Preference shares in subsidiary (unquoted) (refer note 1 & 2)				
Fully paid cumulative compulsorily convertible preference shares				
Tata Motors Finance Limited [Coupon rate - 8.2%]	1,50,00,000	300,00.00	1,50,00,000	300,00.00
Tata Motors Finance Limited [Coupon rate - 8.2%]	1,00,00,000	202,69.70	1,00,00,000	202,69.70
Tata Motors Finance Limited [Coupon rate - 8.2%]	1,25,00,000	255,07.07	1,25,00,000	255,07.07
Tata Motors Finance Limited [Coupon rate - 10%]	1,63,00,000	328,42.24	-	-
Fully paid non-cumulative compulsorily convertible preference shares				
Tata Motors Finance Limited [Coupon rate - 10%]	1,85,00,000	370,00.00	1,85,00,000	370,00.00
Total	7,23,00,000	1456,19.01	5,60,00,000	1127,76.77
ii) Equity instruments				
1) Subsidiaries				
Tata Motors Finance Limited [FV Rs.100/-]	5,90,05,673	3457,41.15	5,90,05,673	3457,41.15
Tata Motors Finance Solutions Limited [FV Rs.100/-]	17,00,49,735	1701,16.95	17,00,49,735	1701,16.95
Subtotal	22,90,55,408	5158,58.10	22,90,55,408	5158,58.10
2) Joint Venture				
Loginomic Tech Solutions Private Limited ("TruckEasy") [FV Rs.10/-]	31,200	2,65.87	31,200	2,65.87
Less: Allowance for impairment loss		(2,65.87)		(2,65.87)
Subtotal	31,200	-	31,200	-
Total	**22,90,86,608**	**5158,58.10**	**22,90,86,608**	**5158,58.10**

Note:

1)The Company had call option to purchase from the holders of the instrument and the holders of the instruments had put option on the Company for 1,53,00,000 cumulative non-participative compulsory convertible preference shares (Face Value: Rs 100) issued by Tata Motors Finance limited (subsidiary company) which the Company exercised during the current year.

2) Measured at cost based on Ind AS 27 - Separate Financial Statements.

Note 10

Property, plant and equipment (Rs. in lakhs)

Particulars	Gross block					Accumulated depreciation					Net block
	Balance as at April 1, 2021	Additions	Deletions	Acquisitions through Business Combinations	Balance as at March 2022	Balance as at April 1, 2021	Depreciation	Deletions	Acquisitions through Business Combinations	Balance as at March 2022	Balance as at March 2022
Office premises / Residential flat	39,80.77	-	17,34.31	-	22,46.46	5,78.18	49.29	2,24.87	-	4,02.61	18,43.85
Furniture and fixtures	11,81.13	-	6,77.02	-	5,04.11	10,93.99	24.12	6,43.47	-	4,74.65	29.43
Right of Use Assets	-	-	-	-	-	-	-	-	-	-	-
Vehicles - given on operating lease	1,23.46	-	71.32	-	,52.14	1,17.13	0.16	67.84	-	49.45	2.69
Office equipments	3,49.82	-	9.81	-	3,40.01	3,24.84	6.55	9.31	-	3,22.08	17.92
	56,35.18	**-**	**2,492.47**	**-**	**31,42.72**	**21,14.14**	**80.13**	**9,45.48**	**-**	**12,48.79**	**18,93.89**

Note : Office premises includes nominal value of investment in Sim Tools Private Limited

Property, plant and equipment (Rs. in lakhs)

Particulars	Gross block					Accumulated depreciation					Net block
	Balance as at April 1, 2020	Additions	Deletions	Acquisitions through Business Combinations	Balance as at March 31, 2021	Balance as at April 1, 2020	Depreciation	Deletions	Acquisitions through Business Combinations	Balance as at March 31, 2021	Balance as at March 31, 2021
Office premises/ Residential flat	39,80.77	-	-		39,80.77	5,15.21	62.97	-		5,78.18	34,02.59
Furniture and fixtures	11,82.51	-	1.38		11,81.13	10,40.84	54.46	1.31		10,93.99	87.14
Right of Use Assets											
Vehicles - given on operating lease	1,82.86	-	59.40		1,23.46	1,64.91	8.63	56.41		1,17.13	6.33
Office equipments	3,49.82	-	-		3,49.82	3,14.69	10.15	-		3,24.84	24.98
Total	**56,95.96**	**-**	**60.78**		**56,35.18**	**20,35.65**	**1,36.21**	**57.72**		**21,14.14**	**35,21.04**

Note : Office premises includes nominal value of investment in Sim Tools Private Limited

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Standalone Financial Statements for the year ended March 31, 2022

Note 11
Other non-financial assets

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits with statutory authorities	4.20	4.20
Prepaid expenses	9.32	-
Taxes recoverable and dues from government	13.19	2,06.93
Others	7.33	5.90
Total	**34.04**	**2,17.03**

Note 12
Payables

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	0.04	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	96.26	66.22
Other Payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	6.61	5,72.62
Total	**102.91**	**638.84**

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Standalone Financial Statements for the year ended March 31, 2022
Trade Payables aging schedule

As at March 31, 2022

Particulars	Not Due	Unbilled	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	0.03	0.01	-	-	-	0.04
(i) Others	-	75.13	21.13	-	-	-	96.26
(iii) Disputed dues – MSME	-	-	-	-	-	-	
(iv) Disputed dues - Others	-	-	-	-	-	-	
Total	**-**	**75.16**	**21.14**	**-**	**-**	**-**	**96.30**

Note: All the amount of MSME vendors are paid within due dates and there is no interest accrued during the year.

As at March 31, 2021

Particulars	Not Due	Unbilled	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-	-	-
(i) Others	-	47.44	18.78	-	-	-	66.22
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**-**	**47.44**	**18.78**	**-**	**-**	**-**	**66.22**

Note 13
Debt securities (at amortised cost)

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i. Privately placed non-convertible debentures (unsecured)	2442,75.48	1775,89.94
ii. Commercial paper (unsecured) (net of unamortised borrowing cost including discounting charges of Rs.Nil; March 31, 2021 Rs. 25,63.18 lakhs)	-	674,36.82
Total (A)	**2442,75.48**	**2450,26.76**
i. Debt securities in India	2442,75.48	2450,26.76
ii. Debt securities outside India	-	-
Total (B)	**2442,75.48**	**2450,26.76**

Details of Non Cumulative Debentures (Unsecured) (Rs. in lakhs)

	As at March 31, 2022		As at March 31, 2021	
From Balance sheet Date	**Interest Rate Range**	**Amount**	**Interest Rate Range**	**Amount**
Issued on private placement basis			-	-
Maturing within 1 Year	11.00%	717,80.10	8.60% to 8.85%	1299,02.50
Maturing between 1 year to 3 Years	6.08% to 7.70%	1527,20.75	11.00%	717,80.10
Maturing between 3 Years to 5 Years	7.69%	389,32.14	-	-
Maturing beyond 5 Years			-	-
Total Face Value		**2634,32.99**		**2016,82.60**
Less: Unamortised borrowing cost		191,57.51		240,92.66
Total Amortised cost		**2442,75.48**		**1775,89.94**

Note 14
Borrowings (Other than debt securities) (at amortised cost)

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Liability component of compound financial instruments	12,76.54	24,54.80
Total (A)	**12,76.54**	**24,54.80**
i. Borrowings in India	12,76.54	24,54.80
ii. Borrowings outside India	-	-
Total (B)	**12,76.54**	**24,54.80**

Note: The borrowings have not been guaranteed by directors or others. Also the Company has not defaulted in repayment of principal and interest.

Note 15
Other financials liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued on borrowings	15,82.22	38,54.86
Others	36.96	36.97
Total	**16,19.18**	**38,91.83**

Note 16
Provisions

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits	-	15.93
Others	42.33	0.31
Total	**42.33**	**16.24**

Note 17
Other non-financial liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues	26.96	1,94.41
Total	**26.96**	**1,94.41**

Note 18
Equity Share Capital

(Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Rs.	No. of shares	Rs.
Authorised				
Equity Shares of Rs.10 each with voting rights	2,50,00,00,000	2500,00.00	2,50,00,00,000	2500,00.00
	2,50,00,00,000	**2500,00.00**	**2,50,00,00,000**	**2500,00.00**
Issued, Subscribed and Fully Paid up				
Equity shares of Rs. 10 each	1,64,82,83,442	1648,28.34	1,64,82,83,442	1648,28.34
Total	**1,64,82,83,442**	**1648,28.34**	**1,64,82,83,442**	**1648,28.34**

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

(Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Rs.	No. of shares	Rs.
Shares outstanding at the beginning of the period / year	1,64,82,83,442	1648,28.35	1,64,82,83,442	1648,28.34
Shares issued during the period / year	-	-	-	-
Shares outstanding at the end of the period / year	**1,64,82,83,442**	**1648,28.35**	**1,64,82,83,442**	**1648,28.35**

b) Details of shares held by holding company and its subsidiaries:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of Issued Share Capital	No. of shares	% of Issued Share Capital
Equity shares with voting rights				
Tata Motors Limited	1,64,82,83,442	100.00	1,64,82,83,442	100.00

c) Details of shares held by Promoters

Promoter name	As at March 31, 2022			As at March 31, 2021		
	No. of Shares	%of total shares	% Change during the year	No. of Shares	%of total shares	% Change during the year
Tata Motors Limited	1,64,82,83,442	100%	NIL	1,64,82,83,442	100%	NIL

c) Terms / rights attached to equity shares:

The Company has 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.

d) Information regarding issue of shares in the last five years

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

e) Dividends not recognised at the end of the reporting year

The company has not declared dividends at the end of the reporting year.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)

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

Note 19A
Instruments entirely equity in nature

(Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Rs.	Number	Rs.
Balance as at beginning of the year	13,500	1350,00.00	-	-
Increase during the year	4,500	450,00.00	13,500	1350,00.00
Balance as at end of the year	18,000	1800,00.00	13,500.00	1350,00.00

As at 31st March, 2021, the Company had 13,500 subordinated, listed, unsecured, rated perpetual securities of face value of Rs. 10 lakhs each aggregating to Rs 1350,00.00 lakhs.The coupon on these securities is 8.7551% p.a., (Rs 500,00 lakhs), 7.7475% (Rs 100,00 lakhs), 7.7499% (Rs 100,00 lakhs), 7.7505% (Rs 150,00 lakhs), 7.7541% (Rs 150,00 lakhs), 7.9947% (Rs 150,00 lakhs),7.9944% (Rs 100,00 lakhs),7.9926% (Rs 100,00 lakhs) & during the year ended March 31, 2022, the Company has issued 4,500 subordinated, listed, unsecured, rated perpetual securities of face value of Rs. 10 lakhs each aggregating to Rs 450,00.00 lakhs which are series A: Rs 250 crs and coupon rate of 7.2962%,series B: Rs 200 crs and coupon rate of 7.3029%.
These securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. There is a step up provision of 100 bps over the respective coupon rate if the securities are not called by the issuer at the end of 10 years from the date of allotment. The payment of any Coupon may be cancelled or suspended at the discretion of the Board of Directors.
The Coupon on these instruments shall not be cumulative except where the Company shall not be liable to pay Coupon and may defer the payment of Coupon, if
i. it's adjusted net worth to aggregate risk weighted assets ratio ("ANW Ratio") is below the minimum regulatory requirement prescribed by RBI under the CIC Directions; or
ii. the impact of such payment results in the Company's ANW Ratio falling below or remaining below the minimum regulatory requirement prescribed by RBI under the CIC Directions.
As these securities are perpetual in nature and the Company does not have any redemption obligation, these are classified as equity.
Tata Motors Limited (i.e. Parent Company) has written put option to purchase these instruments from the investors on respective option exercise dates as specified below:
- Rs 250,00 lakhs on September 30, 2027, Rs 200,00 lakhs on June 30, 2027,Rs 195,00 lakhs on August 11, 2024,Rs 305,00 lakhs on August 18, 2024, Rs 100,00 lakhs on November 04, 2025, Rs 100,00 lakhs November 27, 2025, Rs 150,00 lakhs on December 02, 2025, Rs 150,00 lakhs on December 30, 2025, Rs 150,00 lakhs on September 30, 2026,Rs 100,00 lakhs on September 15, 2026 and Rs 100,00 lakhs on September 28, 2026.

Note 19B
Equity Component of Compound Financial Instrument

(Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Rs.	No. of shares	Rs.
Authorised				
Preference shares of Rs.100 each	7,50,00,000	750,00.00	7,50,00,000	750,00.00
	7,50,00,000	**750,00.00**	**7,50,00,000**	**750,00.00**
Issued, Subscribed and Fully Paid up				
Equity portion of cumulative, non-participating Compulsorily convertible preference share (CCPS) of Rs. 100 each	4,34,00,000	370,72.59	4,34,00,000	370,72.59
Total	**4,34,00,000**	**370,72.59**	**4,34,00,000**	**370,72.59**

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)

a) Reconciliation of the CCPS outstanding at the beginning and at the end of the reporting year.

(Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Rs.	No. of shares	Rs.
Shares outstanding at the beginning of the year	4,34,00,000	370,72.59	4,34,00,000	370,72.59
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**4,34,00,000**	**370,72.59**	**4,34,00,000**	**370,72.59**

b) Details of CCPS held by holding company and its subsidiaries:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of holding	No. of shares	% of holding
Tata Motors Limited	4,34,00,000	100.00	4,34,00,000	100.00

c) Terms/rights attached to preference shares

The Company has cumulative, non-participating compulsorily convertible preference shares (CCPS) having a face value of Rs. 100 each. The holders of the CCPS are entitled for dividend @ 3% on a yearly basis, in preference to the equity shareholders, subject to applicable law and availability of profits, after provision for depreciation. The CCPS shall fully and mandatorily be converted into equity shares on the date falling at the expiry of 7 years from the CCPS allotment date. The conversion ratio of the CCPS is 2.15: 1. Fractional equity shares, if any, arising on conversion of the CCPS shall be disregarded.

Conversion dates for Compulsorily convertible preference share (CCPS) is as follows-

Particulars	(Rs. in lakhs)	Conversion Date	Potential no of Equity Shares on conversion
cumulative, non-participating Compulsorily convertible preference share (CCPS) of Rs. 100 each	130,00.00	02.03.2023	2,79,50,000
cumulative, non-participating Compulsorily convertible preference share (CCPS) of Rs. 100 each	304,00.00	28.03.2023	6,53,60,000

d) Distribution:

i) The Board of Directors at its meeting held on May 2, 2022 recommended a dividend of Rs. 3.00 per share (3.00%) on Cumulative, non-participating Compulsorily convertible preference share of Rs 100 each which is subject to approval of the members at forthcoming annual general meeting.

ii) The Board of Directors at its meeting held on April 30, 2021 recommended a final dividend of Rs. 3.00 per share (3.00%) on Cumulative, non-participating CCPS of Rs 100 each, which was approved in the annual general meeting dated August 31, 2021. The dividend was paid on September 03, 2021.

Note 19C
Notes to reserves

a) Special reserve
As per Section 45-IC of the Reserve Bank of India Act, 1934, every non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared. No appropriation of any sum from the reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by the Reserve Bank of India from time to time and every such appropriation shall be reported to the Reserve Bank of India within twenty-one days from the date of such withdrawal.

b) Securities Premium Account
The amount received in excess of face value of the equity shares is recognised in Securities Premium Account. Also, all "eligible" issue expenses in respect of new equity infusion and CCPS infusion is recognised in Securities Premium Account.

c) Capital Reserve
The Capital Reserve represents the compensating reversal adjustment relating to amortisation of discount on the Zero Coupon Debentures which were charged against the Securities Premium Reserve earlier which is not allowed as per the Companies Act, 2013. This separate reserve head is created based on the FAQ issued by the Ind AS Transition Facilitation Group.

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

Note 19
Interest Income

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
On Financial Assets measured at Amortised Cost		
Interest income from investments	62,31.25	66,82.55
Interest on deposits with Banks	7,54.25	5,37.92
Other interest Income	46,46.57	1,24.73
Total	**116,32.07**	**73,45.20**

Note 20
Net gain on fair value changes

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net gain on financial instruments at fair value through profit or loss on mutual funds	1,367.58	523.14
Total	**13,67.58**	**5,23.14**
Fair Value changes:		
- Realised	13,67.58	4,61.05
- Unrealised	-	73.45
Total	**13,67.58**	**5,34.50**

Note 21
Other Income

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Support services income	69,32.81	49,71.69
Balances Written back	4.91	1.64
Net gain on derecognition of property, plant and equipment	1,994.79	9.61
Interest on Income tax refund	-	234.29
Gain on sale of Long Term Investments	400.33	11.37
Miscellaneous Income	-	1.56
Total	**93,32.84**	**52,30.16**

Note 22
Finance Costs (on financial liabilities measured at Amortised Cost)

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on Borrowings	11,29.71	39,03.52
Interest on Debt Securities	245,06.82	200,69.32
Other Finance Charges	2.46	29.50
Total	**256,38.99**	**240,02.34**

Note 23
Employee Benefits Expenses

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries	9.43	4,73.97
Contribution to provident and other funds	-	13.90
Staff welfare expenses	0.73	0.10
Total	**10.16**	**4,87.97**

Note 24
Other expenses

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent, taxes and energy costs	24.30	33.89
Repairs and maintenance	45.50	53.59
Director's fees, allowances and expenses	47.80	22.70
Auditor's fees and expenses (Refer Note (i) below)	32.89	12.80
Legal and Professional charges	97.71	129.74
Insurance	6.14	11.52
Service Provider Fees	102.36	77.93
Cenvat Credit Reversal	38.29	41.19
Others	44.26	(5.70)
Total	**4,39.25**	**3,77.65**

(i) Auditors' remuneration (excluding Goods & Service Tax)*:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditors - Statutory audit	24.12	6.14
As auditors - Tax audit	0.69	0.69
For other services	7.35	5.55
Reimbursement of out of pocket expenses	0.73	0.42
Total	**32.89**	**12.80**

*** Includes Auditors' remuneration of Rs.19.09 lakhs paid to erstwhile auditor.**

(ii) Corporate social responsibility

The prescribed CSR expenditure required to be spent in the year 2021-22 as per the Companies Act, 2013 is Nil (Nil for 2020-21), in view of average net profits of the Company being Nil (under section 198 of the Act) for three immediately preceding financial years. No amount has been spent by the Company on construction / acquisition of an asset. There were no CSR transactions with or contributions to any related parties listed in Note 40.

Note 25
Income taxes
a) Income tax expense recognised in statement of profit and loss

(Rs. in lakhs)

Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	4.59
Total current tax expense	**-**	**4.59**
Deferred tax		
Decrease (increase) in deferred tax assets	-	1,737.83
(Decrease) increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	-	1,737.83
Income Tax expense	**-**	**17,42.42**

b) Reconciliation of the income tax expenses and accounting profit
Reconciliation of the income tax expense and the accounting profit multiplied by India's tax rate:

(Rs. in lakhs)

Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Profit before taxes	5,360.97	(9,252.25)
Statutory tax rate	25.168%	29.120%
Income tax expenses calculated at statutory tax rate	**13,49.25**	**(26,94.25)**
Tax effect of the amount which are not taxable in calculating taxable income :		
- Effect of income that is exempt from taxation	-	-
- Effect of expenses not deductible for tax computation	297.02	1,763.61
- Utilization of unrecognised and unused tax losses to reduce current tax expense	-	-
- Impact of change in statutory tax rates		1,737.83
- Deferred tax assets not recognised because realization is not probable	2,112.55	933.96
- Adjustments recognised in relation to the current tax of prior years	-	4.59
- Others	(3,758.82)	-
Income tax expense/(credit) recognised for the year at effective tax rate	**-**	**17,45.73**

c) Deferred tax assets/liabilities (net)
At March 31, 2022, deferred tax assets/(liabilities) amounted to Nil.

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

(Rs. in lakhs)

Particulars	**As at April 01, 2020**	**Charged/ (credited) to profit and loss**	**Charged/ (credited) to Other Comprehensive Income**	**As at March 31, 2021**
- Minimum alternate tax (MAT) entitlement	17,37.83	(17,37.83)	-	-
Deferred tax assets/(liabilities) (net)	**17,37.83**	**(17,37.83)**	**-**	**-**

d) Amounts recognised directly in equity
No aggregate amounts of current and deferred tax have arisen in the reporting periods which have not been recognised in net profit or loss or other comprehensive income but directly debited/ (credited) to equity.

e) Tax losses
As at March 31, 2022, unrecognised deferred tax assets amounted to Rs. 923.07 lakhs (As at March 31, 2021 - Rs. 10,14.86 lakhs) which can be carried forward indefinitely and Rs. 141,67.63 lakhs (As at March 31, 2021 - Rs. 127,40.82 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	**Amount (Rs. in lakhs)**
March 31, 2025	43,63.45
March 31, 2026	17,94.18
March 31, 2027	14,22.60
March 31, 2028	8,17.80
March 31, 2029	34,15.65
March 31, 2030	23,41.99
March 31, 2031	-
Thereafter	-
Total	**141,55.67**

Note 26
Earnings per share

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 net profit after tax by the weighted average number of equity shares outstanding during the year.

The diluted earnings per equity share is computed by dividing the net profit after tax as adjusted for dividend related to dilutive potential equity shares by the weighted average number of equity shares and weighted average number of dilutive potential equity shares outstanding during the year, except where the result are anti-dilutive. The following table sets forth, for the year indicated, the computation of earnings per share.

(Rs in lakhs, except per share data)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Basic		
Weighted average no. of equity shares outstanding	1,74,15,93,442	1,74,15,93,442
Net profit attributable to equity share holders	(56,89.93)	(109,94.67)
Basic earnings per share (Rs.)	**(0.33)**	**(0.63)**
Diluted		
Weighted average no. of equity shares outstanding	1,74,15,93,442	1,74,15,93,442
Net profit	(56,89.93)	(109,94.67)
Diluted earnings per share (Rs.)	**(0.33)**	**(0.63)**
Face value per share (Rs.)	10.00	10.00

Note 27
Segment

The Company, being a Core Investment Company has been operating only in one segment vis investing activities and the operations being only in India, the disclosure requirements of IND-AS-108 Segment Reporting are not applicable.

Note 28
Disclosure in respect of Operating leases

1 Company as lessee- Operating Leases

As at March 31, 2022, the Company has recognised lease rent payments made amounting to Rs NIL (as at March 31, 2021: Rs 9.85 lakhs) in the Statement of Profit and Loss under "Other Expenses". The lease does not meet the Right-of-use recognition criteria as per Ind AS 116.

2 Company as lessor- Operating Leases

i) The Company has given vehicles and office premises under operating lease.
The Company has recognised lease rental income from leasing of these assets amounting to Rs.6,43.17 lakhs (Previous year: Rs7,70.02 lakhs) in the Statement of Profit and Loss.

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.

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

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Within 1 year	-	0.15
1-2 years	-	-
2-3 years	-	-
3-4 years	-	-
4-5 years	-	-
Above 5 years	-	-
Total	-	**0.15**

Note 29 - Contingent liabilities and commitments
Contingent liabilities to the extent not provided for:
Claims against the company not acknowledged as debts:

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
In respect of income tax matters	-	2,99.94
Total	**-**	**299.94**

The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Income Tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The amount of provisions / contingent liabilities is based on management's estimate, and no significant liability is expected to arise out of the same.

a. Commitments : As at March 31, 2022, the company does not have any commitments. (As at March 31, 2021 : Nil)

Note 30 - Title deed of immovable properties

Title deed of immovable properties are held in the name of the Company.Hence others disclosure requirements are not applicable.

Note 31

Loans or advances granted to promoters, directors, KMPs and the related parties

As at March 31, 2022 and as at March 31, 2021, Company does not have any loans or advances outstandings to promoters, directors, KMPs and the related parties, that are repayable on demand or without specifying any terms of repayment.

Note 32

Capital Work in Progress & Intangible Assets under Development

Capital Work in Progress & Intangible Assets under Development amounted to Nil at March 31, 2022 and Nil at March 31, 2021.

Note 33

Benami Property

There is no proceedings initiated/pending against the Company for benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder as at March 31, 2022 and as at March 31, 2021

Note 34

Borrowings from banks or financial institutions against security of current assets

As at March 31, 2022 borrowings from banks or financial institutions on the basis of security of current assets is Nil (March 31, 2021: Nil).

Note 35

Wilful Defaulter

The Company has not been declared as Wilful Defaulter by any bank or financial institution or any lender .

Note 36

Relationship with Struck off Companies

During financial year 2021-2022 and financial year 2020-2021, 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.

Note 37

Registration of charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period as at March 31, 2022 and at March 31, 2021

Note 38

Compliance with number of layers of companies

As per Companies (Restriction on number of layers) Rules, 2017, Non-Banking Financial Companies are exempted from restriction on number of layers.

Note 39

Utilisation of Borrowed funds and share premium:

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 shall

(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

II. 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.

Note 40
Employee benefit obligations

a) Defined contribution plans
Superannuation Fund:

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 Rs.Nil (previous year Rs. 1.50 lakhs) has been recognised in the Statement of Profit and Loss.

b) Defined benefit plans
Gratuity:

The gratuity defined benefit plan is a funded plan and the Company makes contributions to the Tata Motors Finance Limited Employees Gratuity Scheme Trust for funding the defined benefit gratuity plan for qualifying employees. The plan provides for a lumpsum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service.

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

(Rs. in lakhs)

a) Changes in defined benefit obligations	**As at March 31**	
	2022	**2021**
Defined benefit obligation, beginning of the year	1,59.32	151.36
Current service cost	-	-
Interest cost		10.44
Remeasurement (gains) / losses		
Actuarial (gain) /losses arising from change in financial assumptions	-	-
Actuarial (gain) /losses arising from change in demographic assumptions	-	-
Actuarial (gain) /losses arising from change in experience adjustments		(2.48)
Past service cost	-	-
Transfer in/(out) of liability	-	-
Benefits paid from plan assets	(1,59.32)	-
Benefits paid directly by the employer	-	-
Defined benefit obligation	**0.00**	**1,59.32**

(Rs. in lakhs)

b) Changes in plan assets	**As at March 31**	
	2022	**2021**
Fair value of plan assets, beginning of the year	1,62.59	1,46.32
Interest cost	-	10.27
Remeasurement (gains) / losses	-	-
Return on plan assets, (excluding amount included in net Interest expense)	(3.27)	0.96
Transfer in/(out) of assets	-	-
Employer's contribution	-	5.04
Benefits paid	(1,59.32)	-
Fair value of plan assets	**-**	**1,62.59**

(Rs. in lakhs)

c) Amount recognised in balance sheet consist off	**As at March 31**	
	2022	**2021**
Present value of defined benefit obligation	-	(1,59.32)
Fair value of plan assets	-	1,62.59
Net Assets / (Liability)	**-**	**3.27**

(Rs. in lakhs)

d) Amount recognised in the Statement of Profit and Loss:	**As at March 31**	
	2022	**2021**
Current Service Cost	-	-
Interest on Defined Benefit Obligations (Net)	-	0.17
Net Charge to the Statement of Profit and Loss	**-**	**0.17**

(Rs. in lakhs)

e) Amount recognised in Other Comprehensive Income(OCI) for the Year:	**As at March 31**	
	2022	**2021**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in interest expense/income	3.27	(0.96)
Actuarial gains/(losses) arising from changes in demographic assumptions	-	-
Actuarial gains/(losses) arising from changes in financial assumptions	-	-
Actuarial gains/(losses) arising from changes in experience adjustments on plan liabilities	-	(2.48)
Impact on the other comprehensive income / (loss)	**3.27**	**(3.44)**

(Rs. in lakhs)

f) The fair value of Company's Gratuity plan asset by category	As at March 31, 2022	As at March 31, 2021
Asset Category		
Insurer managed funds		
- Insurer Managed Funds (unquoted)	100%	100%
Total	**100%**	**100%**

g) The assumptions used in accounting for the gratuity plans are set out below:	As at March 31, 2022	As at March 31, 2021
Discount rate	7.10%	6.90%
Expected return on plan assets	7.10%	6.90%
Salary Escalation rate	8% for first 7.00% year, 7% thereafter	7.00%
Mortality Tables	Indian Assured Lives mortality (2006-08) Ult	

(a) Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

(b) The estimates of future salary increases, considered in actuarial valuation, take into account the inflation, seniority, promotion and other relevant factors.

(Rs. in lakhs)

h) The maturity profile of defined benefit obligation are set out below:	As at March 31, 2022	As at March 31, 2021
Within next 12 months (next annual reporting period)	-	1,59.32
Between 1 and 5 years	-	-
Between 5 and 9 years	-	-
10 years and above	-	-

(Rs. in lakhs)

i) Quantitative sensitivity analysis for significant assumptions:	As at March 31, 2022	As at March 31, 2021
100 bps increase in discount rate	-	-
100 bps decrease in discount rate	-	-
100 bps increase in salary escalation rate	-	-
100 bps decrease in salary escalation rate	-	-

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

j) Weighted Average Duration of Defined Benefit obligation:	As at March 31, 2022	As at March 31, 2021
The weighted average duration of the defined benefit obligation	NIL	NIL

(Rs. in lakhs)

k) The best estimate of the expected Contribution for the next year:	As at March 31, 2022
The Company expected contribution to the funded gratuity plans in FY 2022-23	-

l) Risk Exposure

Through its gratuity defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below :

Investment Risk: If future investment returns on assets are lower than assumed in valuation, the scheme's assets will be lower, and the funding level higher, than expected.

Change in bond yields: A decrease in yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

Note 41

Related party disclosures

(A) Related parties and their relationship

(I) Parties where the control exists:
Holding Company: Tata Motors Limited

(II) Subsidiaries
Tata Motors Finance Limited
Tata Motors Finance Solutions Limited

(III) Joint ventures
Loginomic Tech Solutions Private limited

(IV) Other related parties with whom transactions have taken place during the period
(i) Fellow subsidiaries, associates and Joint arrangements within the Group
TML Business Services Limited (formerly known as Concorde Motors (India) Limited)
Tata Technologies Limited
TML Distribution Company Limited
Tata Motors Insurance Broking And Advisory Services Limited

(ii) Tata Sons and its subsidiaries and Joint arrangements
Tata Sons Private Limited
Tata AIG General Insurance Company Limited

(iii) Post Employement Benefits Plans
Tata Motors Finance Limited Employees Gratuity Scheme Trust

(V) Key Management personnel :
Mr. Shyam Mani - Non-Executive Director (from April 01, 2021) & Managing Director (Upto March 31, 2021)
Mr. Samrat Gupta - Managing Director & Chief Executive Officer (from April 01, 2021)
Mr. Nasser Munjee, Independent Director and Chairman (from June 20, 2020)
Mr. P. S. Jayakumar, Independent Director (from July 10, 2020)
Ms. Vedika Bhandarkar - Independent Director (upto 30 July 2021)
Mr. P. B. Balaji - Non-Executive Director
Mrs. Varsha Purandare- Independent Director & Additional Director (from June 16, 2021)
Ms. Ridhi Gangar - Chief Financial Officer (from August 01, 2020)

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

(Rs in lakhs)

Transactions	Holding Company	Subsidiaries		Joint Venture	Other Related Parties	Total
		Tata Motors Finance Limited	Tata Motors Finance Solutions Limited			
a) Transactions during the period						
Dividend income		84,94.84		-	-	84,94.84
Rent Income		5,55.84	87.00	-	0.38	6,43.22
Other Income		59.00		-	1,32.81	1,91.81
Interest income on loans and investments		85,85.63	2,292.19	-	-	108,77.82
Amount received towards reimbursement of expenses				-	-	-
Expenses for support services (incl. reimbursement of expenses)	14.07			-	-	14.07
Dividend paid	13,02.00			-	-	13,02.00
Interest Expenses		1.85		-	-	1.85
Other Expenses (Refer note (i))		102.36		-	62.89	165.25
Loans and advances given		2275,00.00	1485,00.00	-	-	3760,00.00
Loans and advances recovered		2275,00.00	1485,00.00	-	-	3760,00.00
Loans and advances taken / availed		5,00.00		-	-	5,00.00
Loans and advances repaid		5,00.00		-	-	5,00.00
Total	**13,16.07**	**4737,99.52**	**2993,79.19**	**-**	**1,96.08**	**7746,90.86**
b) Balances as at						
Amount receivable others		8.82	1.41		-	10.23
Investment in optionally convertible debentures				8,35.00	-	835.00
Provision for doubtful investments / loans				8,35.00	-	835.00
Amount receivable in respect of interest accrued on deposit & investments		30,99.96				3,099.96
Amount receivable in respect of debenture		600,00.00		-	-	60,000.00
Amount payabe in respect of other financial liablities		36.96				36.96
Amount receivable in respect of Inter company deposit				-	-	-
Amount payable others	17.17	7.20		-	36.42	60.79

(i) Includes amount cross charged by subsidiaries for support services and remuneration to Key Mangerial Remuneration.
(ii) Provision for doubtful debts based on expected credit losses was recognised on the receivables owed by related parties amounting to Rs 8,35.00 lakhs.
(iii) Corporate guarantee given for Subsidiaries at March 31, 2022 - Rs. 5900 lakhs (March 31, 2021 - Rs. 5900 lakhs).

The following table summarizes related-party transaction for the year ended March 31, 2021 and balances as at March 31, 2021

(Rs in lakhs)

Transactions	Holding Company	Subsidiaries		Joint Venture	Other Related Parties	Total
		Tata Motors Finance Limited	Tata Motors Finance Solutions Limited			
a) Transactions during the period						
Interest income on loans and investments		63,07.32	499.96		-	68,07.28
Interest income on compulsory convertible debenture				-	-	-
Interest income on Inter Corporate Deposits				-	-	-
Interest income on unsecured Tier-II debenture				-	-	-
Other Income		69.62		-	-	69.62
Service charges – income				-	-	-
Rent – income		7,87.95	102.66	-	7.04	8,97.65
Dividend income		18,50.00		-	-	18,50.00
Interest Expenses		747.04	2,84.82	-	-	10,31.86
Amount received towards reimbursement of expenses		211.68		-	261.59	473.27
Expenses for support services (incl. reimbursement of expenses)	24.76	90.69			2.25	117.70
Dividend Paid	1,30.20			-	-	1,30.20
Loans and advances given			400,00.00	-	-	400,00.00
Loans and advances recovered			400,00.00	-	-	400,00.00
Investment in unsecured Tier-II Debentures-Repaid			100,00.00	-	-	100,00.00
Contributions paid to employee benefit trust				-	5.04	5.04
Loans and advances taken / availed		1435,00.00	390,00.00	-	-	1825,00.00
Loans and advances repaid		1675,00.00	500,00.00	-	-	2175,00.00
Total	**154.96**	**3210,64.30**	**1798,87.44**	**-**	**275.92**	**5013,82.62**

b) Balances as at						
Amount receivable others	-	31,51.30	-	-	54.47	32,05.77
Investment in optionally convertible debentures	-	-	-	8,35.00	-	8,35.00
Provision for doubtful investments / loans	-	-	-	8,35.00	-	8,35.00
Amount receivable in respect of investments	-	6470,00.00	-	-	-	6470,00.00
Amount payable others	19.49	-	-	-	-	19.49

(i) Includes amount cross charged by subsidiaries for support services and remuneration to Key Mangerial Remuneration.
(ii) Provision for doubtful debts based on expected credit losses was recognised on the receivables owed by related parties amounting to Rs 8,35.00 lakhs.
(iii) Corporate guarantee for Subsidiaries at March 31, 2021 - Rs. 5900 lakhs.

Terms and Conditions of Transaction with Related Parties:

The transaction with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

(C) Key management personnel remuneration

(Rs in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Short term employee benefits (Refer note below)	7,71.34	436.59

Note:

a) Expenses towards provision for gratuity and leave encashment which are determined on actuarial basis at an overall Company level are not included in the above information & there are no employees as on March 31, 2022.

b) Includes sitting fees paid to non-executive directors is Rs. 47.80 lakhs and Rs.22.70 lakhs for the year ended March 31, 2022 and March 31, 2021 respectively.

Note 42

Reconciliation of Movement in Borrowings to cash flow from financing activities

(Rs in lakhs)

Particulars	As at April 01, 2021	Cash Flows (net)	Exchange Difference	Amortisation of loan origination	As at March 31, 2022
Debt Securities	2450,26.76	(235,30.14)	-	227,78.87	2442,75.49
Borrowings (other than Debt securities)	24,54.81	(13,02.00)	-	1,23.73	12,76.54
Total Liabilities from Financing Activities	**2474,81.57**	**(248,32.14)**	**-**	**229,02.60**	**2455,52.03**

Note: Debt securities includes commercial papers and zero coupon bonds for which the discounting charges paid is Rs. 2,931.21 lakhs and premium charges paid of Rs. 29,902.50 lakhs respectively on the repayment date is shown in the finance cost in cash flow statements

(Rs in lakhs)

Particulars	As at April 01, 2020	Cash Flows (net)	Exchange Difference	Amortisation of loan origination costs	As at March 31, 2021
Debt Securities	2157,63.57	91,93.86	-	200,69.33	2450,26.76
Borrowings (other than Debt securities)	373,93.49	(351,30.20)	-	1,91.52	24,54.81
Subordinated Liabilities	-	-	-	-	-
Total Liabilities from Financing Activities	2531,57.06	(259,36.34)	-	202,60.85	2474,81.56

Note: Debt securities includes commercial papers and zero coupon bonds for which the discounting charges paid is Rs. 19,60.97 lakhs and premium charges paid of Rs. 87,03.33 lakhs respectively on the repayment date is shown in the finance cost in cash flow statements

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Standalone Financial Statements for the year ended March 31, 2022

Note 43
Fair value measurements

Financial Instruments by categories (Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial Assets:				
Investments				
- Mutual funds	-	-	843,71.24	-
- Debt securities	-	600,00.00	-	647,00.00
Cash and cash equivalents	-	878,50.45	-	12,54.90
Other bank balances	-	100,00.00	-	100,00.00
Trade Receivables and Other receivables	-	10.24	-	1,33.69
Other financial assets	-	34,77.93	-	36,47.96
Total financial assets	**-**	**1613,38.62**	**843,71.24**	**797,36.55**
Financial liabilities:				
Borrowings	-	12,76.54	-	24,54.80
Debt securities	-	2442,75.48	-	2450,26.76
Trade payables	-	96.26	-	66.22
Other payables	-	6.61	-	5,72.62
Other financial liabilities	-	16,19.18	-	38,91.83
Total financial liabilities	**-**	**2472,74.07**	**-**	**2520,12.23**

Fair value hierarchy
Set out below, is a comparison by class of carrying amounts and fair value of the Company's financial assets/liabilities, other than those with the carrying amounts that are reasonable approximations of fair values:

(Rs. in Lakhs)

Particulars	As at March 31, 2022					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at amortised cost for which Fair Value is disclosed						
(a) Borrowings	12,76.54	12,82.53	-	12,82.53	-	12,82.53
(b) Debt Securities	2442,75.48	2472,49.55	-	2472,49.55	-	2472,49.55
Total	**2455,52.02**	**2485,32.08**	**-**	**2485,32.08**	**-**	**2485,32.08**

(Rs. in Lakhs)

Particulars	As at March 31, 2021					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value						
(a) Investments						
- Mutual funds	843,71.24	843,71.24	843,71.24	-	-	843,71.24
Total	**843,71.24**	**843,71.24**	**843,71.24**	**-**	**-**	**843,71.24**

(Rs. in Lakhs)

Particulars	As at March 31, 2021					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at amortised cost for which Fair Value is disclosed						
(a) Borrowings	24,54.80	24,84.10	-	24,84.10	-	24,84.10
(b) Debt Securities	1775,89.94	1875,08.51	-	1875,08.51	-	1875,08.51
Total	**1800,44.74**	**1899,92.61**	**-**	**1899,92.61**	**-**	**1899,92.61**

The categories used are as follows :

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

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

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.
There has been no transfers between level 1, level 2 and level 3 for the year ended March 31, 2022 and year ended March 31, 2021.

Valuation technique used to determine fair value of financial instruments

The fair value of borrowings is estimated by discounting expected future cash flows, using a discount rate equivalent to the risk-free rate of return, adjusted for the credit spread considered by the lenders for instruments of similar maturity and credit quality are classified in level 2.

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

Fair value of financial assets/liabilities measured at amortised cost
The carrying amounts of financial assets and financial liabilities other than those disclosed in table above are considered to be the same as their fair values due to the short term maturities of instruments or no material differences in the values.

Note 44

The Taxation Laws (Amendment) Ordinance, 2019 contained substantial amendments in the Income Tax Act, 1961 and the Finance (No.2) Act, 2019 provided an option to domestic companies to pay income tax at a lower rate. The Company has elected to apply the tax rate as per Section 115 BAA of the Income Tax Act, 1961 from the current financial year.

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Notes forming part of standalone financial statements for the year ended March 31, 2021

Note 45
Maturity Analysis of Assets and Liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled:

(Rs. in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-Current	Total	Current	Non-Current	Total
ASSETS						
Financial assets						
Cash and cash equivalents	878,50.45	-	878,50.45	12,54.90	-	12,54.90
Bank balance other than cash and cash equivalents	100,00.00	-	100,00.00	10,000.00	-	10,000.00
Receivables						
Trade receivables	-	-	-	90.14	-	,90.14
Other receivables	10.24	-	10.24	43.55	-	43.55
Investments	-	7214,77.10	7214,77.10	84,371.24	6933,34.86	7777,06.10
Other financial assets	34,32.95	44.97	34,77.92	36,02.99	44.97	36,47.96
Non-financial assets						-
Current tax assets (net)	-	59,43.93	59,43.93	-	36,65.52	36,65.52
Deferred tax assets (net)	-	-	-	-	-	-
Property, plant and equipment	-	18,93.89	18,93.89	-	35,21.04	35,21.04
Other non-financial assets	29.84	4.20	34.04	212.83	4.20	217.03
Total assets	**1013,23.48**	**7293,64.09**	**8306,87.57**	**995,75.65**	**7005,70.59**	**8001,46.24**
LIABILITIES AND EQUITY						
Financial liabilities						
Payables						
Trade payables						
total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	96.30	-	96.30	,66.53	-	,66.53
Other payables			-			-
total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	6.61	-	6.61	5,72.62	-	5,72.62
Debt securities	672,74.85	1770,00.63	2,44,275.48	1844,66.86	605,59.89	2450,26.75
Borrowings (Other than debt securities)	12,76.54	-	1,276.54	-	24,54.80	24,54.80
Other financials liabilities	36.96	15,82.22	16,19.18	3,891.82	-	38,91.83
Non-financial liabilities	-	-	-			-
Current tax liabilities (net)	-	2,33.36	233.36	-	2,35.31	2,35.31
Provisions	42.33	-	42.33	15.93	-	15.93
Other non-financial liabilities	26.96	-	26.96	1,94.41	-	1,94.41
Total liabilities	**687,60.55**	**1788,16.21**	**2475,76.76**	**1892,08.17**	**632,50.00**	**2524,58.18**
Net Asset	**325,62.93**	**5505,47.88**	**5831,10.81**	**(896,32.52)**	**6373,20.59**	**5476,88.06**

Note 46
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 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.

(A) 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 activites, 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 arisng from financing activities, Investment in debt instruments, derivative instruments, trade receivables 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, other receivables, investment in preference shares and other receivables are neither impaired nor past due, there were no indications as at March 31, 2022, that defaults in payment obligations will occur.

i) Loans arising from financing activities and others - Credit quality of financial assets and impairment loss
The carrying amount of loans represent the maximum credit exposure net of provision for impairment. The maximum exposure to credit risk was Rs. Nil as of March 31, 2022 (March 31, 2021 - Rs. Nil)

Credit risk for loans is managed by the Company through credit approvals, establishing credit limits and periodic monitoring of the creditworthiness of its customers to which the Company grants credit terms in the normal course of business. Loans are secured and are derived from customers located in India.
On account of adoption of Ind AS 109, the Company uses the 3 staging Expected Credit Loss (ECL) model to assess the impairment gain or loss. The model takes into account a continuing credit evaluation of Company's customers' financial condition; ageing of loans; the value and adequacy of collateral received from the customers; the Company's historical loss experience; and adjusted for forward looking information. The Company defines default as an event when there is no reasonable expectation of recovery.
The Company makes allowances for losses on its portfolio of loans on the basis of expected future collection from receivables. The future collection are estimated on the basis of past collection trend which are adjusted for changes in current circumstances as well as expected changes in collection on account of future with respect to certain macro economic factors.

(B) Management of 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 table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2022:

(Rs. in Lakhs)

	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total contractual cashflows
Non derivatives						
Borrowings	12,76.54	12,76.54	-	-	-	12,76.54
Debt securities	2442,75.48	799,52.10	408,92.75	1655,83.51	-	2864,28.36
Trade & Other payables	1,02.91	1,02.91	-	-	-	1,02.91
Other financial liabilities	16,19.18	16,19.18	-	-	-	16,19.18
Total	**2472,74.11**	**829,50.73**	**408,92.75**	**1655,83.51**	**-**	**2894,26.99**

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2021:

(Rs. in Lakhs)

	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total contractual cashflows
Non derivatives						
Borrowings	24,54.80	11,78.27	12,76.54	-	-	24,54.80
Debt securities	2450,26.76	1999,02.50	717,80.10	-	-	2716,82.60
Trade and Other payables	6,39.15	6,39.15	-	-	-	6,39.15
Other financial liabilities	38,91.83	38,91.83	-	-	-	38,91.83
Total	**2520,12.54**	**2056,11.75**	**730,56.64**	**-**	**-**	**2786,68.38**

As per Liquidity Risk Management Framework, Core Investments Companies are exempt from the applicability of Liquidity Risk Coverage norms.

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Notes forming part of standalone financial statements for the year ended March 31, 2022

(C) Management of Market Risk

Market risk comprises of foreign currency risk and interest rate risk. Interest rate risk arises from variable rate borrowings that expose the Company's financial performance, financial position and cash flows to the movement in market rates of interest.

Foreign currency risk

The company is not exposed to foreign currency exchange risk as all the financial instruments are denominated in the functional currency of the company i.e. Indian Rupees (INR).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's borrowings with floating/variable interest rates. The Company borrow through various instruments which has floating rate/ interest rate reset clause which is exposed to interest rate risk.

The interest rate exposure on account of variable/floating rate foreign curreny borrowings is mitigated by some of the derivative contracts entered into by the Company as disclosed in (iv) derivative financial instruments and hedging activities below.

As at the end of reporting year, the Company had following variable interest rate borrowings:

(` in Lakhs)

	As at March 31, 2022	As at March 31, 2021
Non derivative Financial Liabilities		
Variable rate borrowings	600,00.00	-

Profit or loss is sensitive to interest expense from variable rate borrowings as a result of changes in interest rate. Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in an impact (decrease/increase) in case of profit/(loss) before tax of Rs 6,00.00 lakhs and Rs Nil on income for the year ended March 31, 2022 and March 31, 2021 respectively.

The above sensitivity analysis assumes that all other variables remain constant and the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

Capital management

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

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

The Company monitors the capital structure on the basis of regulatory capital ratio viz. CRAR

The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to continue to be able to provide return to shareholders by continuing to distribute dividends in future periods. Refer the below note for dividend declared and paid.

Total debt includes all long and short-term borrowings as disclosed in notes 13 and 14 to the financial statements.

Below are the key regulatory capital ratios at the year end dates (Rs in lakhs)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
CRAR (%)	55.24%	52.91%
CRAR - Tier I capital (%)	55.24%	52.80%
CRAR - Tier II capital (%)	0.00%	0.11%
Amount of Subordinated Debt raised as Tier II Capital	-	-
Amount raised by issue of Perpetual Debt Instruments	45,000.00	1,35,000.00
Liquidity Coverage Ratio	NA	NA

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2022

Note 47
Additional disclosures given in terms of the Non Banking Financial Companies - Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 (as amended) and RBI Circular RBI/2020-21/24, DoR (NBFC) (PD) CC. No. 117/03.10.001/2020-21 dated August 13, 2020 applicable for all Core Investment Companies.

(A)
Core Investment Company (CIC) Compliance Ratios

S. No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	Investments & loans to group companies as a proportion of Net Assets (%)	99.10%	98.77%
2	Investments in equity shares and compulsorily convertible instruments of group companies as a proportion of Net Assets (%)	90.86%	89.55%
3	Capital Adequacy Ratio (%) [Adjusted Net Worth / Risk Weighted Assets]	55.24%	52.91%
4	Leverage Ratio (times) [Outside liabilities / Adjusted Net worth]	1.05	0.92

(B)
Asset Liability Maturity Pattern of certain items of assets and liabilities

(Rs. in lakhs)

S. No.	Particulars	Period	1 to 7 days	8 to 14 days	15 days to 30 / 31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 month & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
1	Deposits	March 31, 2022	87,500.00	-	5,000.00	-	-	-	5,000.00	-	-	-	97,500.00
		March 31, 2021	-	-	-	-	-	-	-	-	-	-	-
2	Advances	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-
		March 31, 2021	-	-	-	-	-	-	-	-	-	-	-
3	Investments	March 31, 2022	-	-	-	-	-	-	-	-	-	7,21,477.10	7,21,477.10
		March 31, 2021	843,71.24	-	-	-	-	-	-	-	-	6,93,334.87	7,77,706.11
4	Brrowings	March 31, 2022	-	-	-	-	1,277.00	-	67,275.00	1,46,969.88	30,030.47	-	2,45,552.35
		March 31, 2021	-	-	-	198,98.55	12,52.77	-	1645,68.32	617,61.92	-	-	2,47,481.56

Notes:
1 Borrowing does not include Inter-Coporate Deposit (ICD).
2 Borrowings includes liability component of compound financial instrument.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2022

Additional disclosures given in terms of the Non Banking Financial Companies - Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 (as amended) and RBI Circular RBI/2020-21/24, DoR (NBFC) (PD) CC. No. 117/03.10.001/2020-21 dated August 13, 2020 applicable for all Core Investment Companies.

(C) Components of ANW and other related information **(Rs in lakhs)**

S.No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	ANW as a % of Risk Weighted Assets	55.24%	52.91%
2	Unrealized appreciation in the book value of quoted investments	-	-
3	Diminution in the aggregate book value of quoted investments	-	-
4	Leverage Ratio	1.05	0.92

(D) Investment in other CICs

(i) Total amount representing any direct or indirect capital contribution made by one CIC in another CIC (including name of CICs) : Not Applicable
(ii) Number of CICs with their names wherein the direct or indirect capital contribution exceeds 10% of Owned Funds: Not Applicable
(iii) Number of CICs with their names wherein the direct or indirect capital contribution is less than 10% of Owned Funds: Not Applicable

(E) Off Balance Sheet Exposure **(Rs in lakhs)**

S.No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	Off balance sheet exposure	5,900.00	5,900.00
2	Financial Guarantee as a % of total off-balance sheet exposure	100%	100%
3	Non-Financial Guarantee as a% of total off-balance sheet exposure	Nil	Nil
4	Off balance sheet exposure to overseas subsidiaries	Not Applicable	Not Applicable
5	Letter of Comfort issued to any subsidiary	Nil	Nil

(F) Investments **(Rs in lakhs)**

S.No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	Value of Investments		
	(i) Gross Value of Investments		
	a) In India	7225,77.98	7788,06.98
	b) Outside India	-	-
	(ii) Provisions for Depreciation		
	a) In India	11,00.87	11,00.87
	b) Outside India	-	-
	(iii) Net Value of Investments		
	a) In India	7214,77.11	7777,06.11
	b) Outside India	-	-
2	Movement of provisions held towards depreciation on investments.		
	(i) Opening balance	11,00.87	11,00.87
	(ii) Add : Provisions made during the year	-	-
	(iii) Less : Write-off / write-back of excess provisions during the year	-	-
	(iv) Closing balance	11,00.87	11,00.87

(G) Business Ratios

S.No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	Return on Equity (RoE)	0.92%	-2.65%
2	Return on Assets (RoA)	0.74%	-1.60%
3	Net profit per employee (Rs in lakhs)	-	(11,006.05)

For the computation of ROA, average net assets have been considered. Net Assets have been derived in line with the guidance in paragraph 3 (xviii) of the RBI Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 dated August 25, 2016 (updated as on October 5, 2021)

(H) Provisions and Contingencies **(Rs in lakhs)**

S.No.	Break up of 'Provisions and Contingencies' shown under the Profit and Loss Account	As at March 31, 2022	As at March 31, 2021
1	Provisions for depreciation on Investment	-	-
2	Provision towards NPA	-	-
3	Provision made towards Income tax	-	4.59
4	Other Provision and Contingencies (with details)	-	-
5	Provision for Standard Assets	-	-

(I) Concentration of NPAs **(Rs in lakhs)**

S.No.	Particulars	Amount	Exposure as a % of total assets
	Total Exposure to top five NPA accounts	NIL	NIL

(J)

Ratings assigned by credit rating agencies and migrations of ratings in respect of all credit facilities and debt instruments during the year:

S. No.	Rating agency	Year	Instruments					
			Long-term bank facilities	Short-term bank facilities	Secured Non-convertible debentures	Unsecured subordinated Tier II NCDs	Commercial papers	Perpetual debt
1	CRISIL	31-Mar-22	N.A	N.A	CRISIL AA-/ STABLE	N.A	CRISIL A1+	CRISIL AA-/ STABLE
		31-Mar-21	N.A	N.A	CRISIL AA-/ STABLE	N.A	CRISIL A1+	CRISIL AA-/ STABLE
2	ICRA	31-Mar-22	ICRA AA- / STABLE	N.A	ICRA AA- / STABLE	N.A	ICRA A1+	N.A
		31-Mar-21	ICRA AA- / STABLE	N.A	ICRA AA- / STABLE	N.A	ICRA A1+	N.A
3	CARE	31-Mar-22	CARE AA-/ STABLE	CARE A1+	CARE AA-/ STABLE	N.A	CARE A1+	N.A
		31-Mar-21	CARE AA-/ STABLE	CARE A1+	CARE AA-/ STABLE	N.A	CARE A1+	N.A

Note:
Outlook revised by CRISIL from NEGATIVE to STABLE w.e.f. March 17, 2021
Outlook revised by ICRA from NEGATIVE to STABLE w.e.f February 08, 2021
Outlook revised by CARE from NEGATIVE to STABLE w.e.f. March 24, 2021

K). Disclosure on liquidity risk under RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

No. of Significant Counterparties	(Rs in lakhs)	% of Total Deposits	% of Total Liabilities
Seven (7 Nos)	24,27.29	NA	98.55%

(ii) Top 20 large deposits (% of Total Deposits)
Not Applicable

(iii) Top 10 Borrowings (as a % of Total Borrowings)

Particulars	(Rs in lakhs)	% of Total Borrowings
Eight (8 nos.)	24,42.75	100.00%

(iv) Funding Concentration based on significant instrument / product

Name of the Instrument	(Rs in lakhs)	% of Total Liabilities
Commercial Paper (CP)	-	0.00%
Non Convertible Debentures (NCDs)	24,42.75	99.18%
Inter-Corporate Deposits (ICD)	-	0.00%
Total	**24,42.75**	0.98%

(v) Stock Ratios

(Rs in lakhs)

Particulars	Total Public Funds	Total Liabilities	Total Assets
Commercial papers as a % of	NIL	NIL	NIL
Non Convertible Debentures (original maturity of less than one year) as a % of	NA	NA	NA
Other short-term liabilities as a % of	14.71%	27.92%	8.28%

Note:
Interest accrued but not due has been excluded from Borrowings/Total Public funds

(vi) Institutional set-up for liquidity risk management

TMF Holdings Limited (TMFHL) has an Asset Liability Supervisory Committee (ALCO), a Board level Sub-committee to oversee liquidity risk management. ALCO consists of Independent Director, Managing Director and Group Chief Financial Officer. The ALCO meetings are held once in 3 months. TMFHL has a Risk Management Committee (RMC), a sub-committee of the Board, which oversees overall risks to which the Company is exposed including liquidity risk management. ALCO's views on liquidity and asset liability management are presented to RMC for its independent review on a quarterly basis. The ALCO and RMC also updates the Board at regular intervals.

For the previous year i.e. financial year 2020-21

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

No. of Significant Counterparties	(Rs in lakhs)	% of Total	% of Total
Eight (8 nos.)	2426,47.84	NA	97.06%

(ii) Top 20 large deposits (% of Total Deposits)
Not Applicable

(iii) Top 10 Borrowings (as a % of Total Borrowings)

Particulars	(Rs in lakhs)	% of Total
Eight (8 nos.)	2450,26.76	100.00%

(iv) Funding Concentration based on significant instrument / product

Name of the Instrument	(Rs in lakhs)	% of Total
Commercial Paper (CP)	674,36.82	26.97%
Non Convertible Debentures (NCDs)	1775,89.94	71.03%
Inter-Corporate Deposits (ICD)	-	0.00%
Total	**2450,26.76**	**98.01%**

(v) Stock Ratios

(Rs in lakhs)

Particulars	Total Public	Total Liabilities	Total Assets
Commercial papers as a % of	15.93%	26.97%	8.41%
Non Convertible Debentures (original maturity of less than	-	-	-
Other short-term liabilities as a % of	28.76%	48.71%	15.19%

Note:
Interest accrued but not due has been excluded from Borrowings/Total Public funds

(vi) Institutional set-up for liquidity risk management

TMF Holdings Limited (TMFHL) has an Asset Liability Supervisory Committee (ALCO), a Board level Sub-committee to oversee liquidity risk management. ALCO consists of Independent Director, Managing Director and Group Chief Financial Officer. The ALCO meetings are held once in 3 months. TMFHL has a Risk Management Committee (RMC), a sub-committee of the Board, which oversees overall risks to which the Company is exposed including liquidity risk management. ALCO's views on liquidity and asset liability management are presented to RMC for its independent review on a quarterly basis. The ALCO and RMC also updates the Board at regular intervals.

(L) Other disclosures

1 No penalties were imposed by RBI and other regulators during the financial year 2021-22. (financial year 2020-21: Nil)
2 The Company does not have any exposure in real estate sector during the financial year 2021-22. (financial year 2020-21: Nil)
3 The Company being CIC, the prudential exposure limits in respect to single borrower limit / group borrower limit is not applicable.
4 The Company is only registered with Reserve Bank of India as a Systemically Important Non Deposit Taking Non Banking Financial Company as Core Investment Company (CIC).
5 The Company has not entered in to any derivative contracts during the financial year 2021-22 or holds any exposure in respect of derivative transactions as on March 31, 2022. (financial year 2020-21: Nil)
6 The Company has not drawn down any amounts from the reserves during the financial year 2021-22 except as disclosed in Statement of Changes in Equity. (financial year 2020-21: Nil)
7 The Company has not sold any Financial Assets to Securitisation / Reconstruction Company for Asset Reconstruction during financial year 2021-22. (financial year 2020-21: Nil)
8 The Company has not purchased any non-performing financial assets during the financial year 2021-22. (financial year 2020-21: Nil)
9 Overseas assets (for those with joint ventures and subsidiaries abroad)
The Company does not have any joint venture or subsidiary abroad, hence not applicable.
10 Customer Complaints:
The customer complaints during the year were NIL due to no customer interaction.
11 The amount of unsecured advances stood at Rs. Nil Lakhs (March 31, 2021: Rs. Nil).
Further, the Company has not granted unsecured advances against collateral of intangible securities such as charge over the rights, licenses or authority.

The Company has not obtained any Registration/ licence/ authorisation, by whatever name called, from other financial sector regulators.
No modified opinion(s) or other reservation(s) has been mentioned in the audit report or limited review report in respect of the financial results of any previous financial year or quarter which has an impact on the profit or loss of the reportable period.
12 The Company does not have any loans and advances and hence, the disclosure on Asset Classification and Provisions as per RBI notification RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020 is not applicable.
13 There have been no transactions which have not been recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (search / survey / any other relevant provisions of the Income Tax Act, 1961). There has been no previously unrecorded income and no related assets were required to be recorded in the books of account during the year 31st March 2022 and 31st March 2021.

14 The Company has not traded/invested in crypto currency or virtual currency for the year ended March 31, 2022 and March 31, 2021.

Note 48

Previous Year figures have been audited by a firm of chartered accountants, other than Sudit K. Parekh & Co. LLP. The same has been regrouped / reclassified wherever required.

As per our report of even date attached

For Sudit K. Parekh & Co. LLP
Chartered Accountants
Firm Registration Number: 110512W/W100378

Nemish Kapadia
Partner
Membership No. 111929

Place : Mumbai
Date: May 2, 2022

For and on behalf of the Board of Directors

P.S. JAYAKUMAR
Director
(DIN - 01173236)

P.B. BALAJI
Director
(DIN - 02762983)

SAMRAT GUPTA
Managing Director and CEO
(DIN - 07071479)

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary

Place: Mumbai
Date: May 2, 2022

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)

Notes forming part of standalone financial statements for the year ended March 31, 2022

Schedule to the

Balance Sheet of a non-deposit taking Core Investment Company

(Disclosure as per Annexure II of Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016)

(Rs. in lakhs)

Particulars			
Liabilities side:		**Amount outstanding**	**Amount overdue**
(1)	**Loans and advances availed by the CIC inclusive of interest accrued thereon but not paid: ***		
	(a) Debentures : Secured		-
	: Unsecured (Note 1)	2458,57.70	-
	(other than falling within the meaning of public deposits)		
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowings	-	-
	(e) Commercial Papers (Note 2)	-	-
	(f) Other Loans		
	- Working capital demand loan	-	-
	- Cash Credit		
	- From banks	-	-
	- From others	-	
	- Liability Component of compound financial instruments	12,76.54	-

Assets side:		**Amount Outstanding**
(2)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:**	
	(a) Secured	(0.00)
	(b) Unsecured	-
(3)	**Break up of Leased Assets and stock on hire and other assets towards AFC activities**	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	-
	(b) Operating lease	2.69
	(ii) Stock on hire including hire charges under sundry debtors :	
	(a) Assets on hire	-
	(b) Repossessed Assets	-
	(iii) Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	-
	(b) Loans other than (a) above (refer note 1 & note 2 below)	-
(4)	**Break-up of Investments:**	
	<u>Current Investments:</u>	
	1 Quoted :	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-
	2 Unquoted:	
	(i) Shares : (a) Equity	
	(b) Preference	
	(ii) Debentures and Bonds	
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-
	<u>Long Term Investments:</u>	
	1 Quoted :	
	(i) Shares : (a) Equity (Investment in subsidiary)	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-
	2 Unquoted:	
	(i) Shares : (a) Equity (Investment in subsidiaries)	5158,58.10
	(b) Preference	1456,19.01
	(ii) Debentures and Bonds	600,00.00
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)

Notes forming part of standalone financial statements for the year ended March 31, 2022

Schedule to the

Balance Sheet of a non-deposit taking Core Investment Company

(Disclosure as per Annexure II of Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016)

(5)	**Borrower group-wise classification of assets financed as in (2) and (3) above :**			
		Amount net of provisions		
	Category	**Secured**	**Unsecured**	**Total**
	1 Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
	2 Other than Related Parties			
	Total	**-**	-	-

(6)	**Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**		
	Category	**Market Value/ Break up or fair value or NAV**	**Book Value (Net of Provision)**
	1 Related Parties		
	(a) Subsidiaries	7214,77.11	7214,77.11
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
	2 Other than Related Parties	-	-
	Total	7214,77.11	7214,77.11

(7)	**Other information**	
	Particulars	
	(i) Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	-
	(ii) Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	-
	(iii) Assets acquired in satisfaction of debt	-

Note 1: Represents Zero coupon debentures which are gross of accreted value of premium on redemption and net of unamortised borrowing cost of Rs. 1,90,51.96 lakhs.

Note 2: Commercial Paper are net of unamortised discounting charges amounting to Rs. Nil.

For and on behalf of the Board of Directors

P. S. JAYAKUMAR
Director
(DIN - 01173236)

P.B. BALAJI
Director
(DIN - 02762983)

SAMRAT GUPTA
Managing Director and CEO
(DIN - 07071479)

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary

Place: Mumbai
Date: May 2, 2022

Independent Auditor's Report
To the Members of TMF Holdings Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the Consolidated Financial Statements of TMF Holdings Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated 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 Consolidated Financial Statements.

Emphasis of matter

As more fully described in Note 46 to the Consolidated Financial Statements, the extent to which the COVID-19 pandemic will have impact on the Company's financial performance is dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of the above manner.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key matters to be communicated in our report.

Description of Key Audit Matter

Key audit matter	**How the matter was addressed in our audit**
Information technology	
Information Technology ('IT') systems and controls: The Group's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated. We have focused on user access management, change management, interface controls and system application controls over key financial accounting and reporting systems.	Audit procedures to assess the IT system access management included the following: General IT controls and application controls and user access management • We tested a sample of key controls operating over the information technology in relation to the financial accounting and reporting systems, including system access and system change management, program development and computer operations. • We tested the design and operating effectiveness of key controls over user access management which includes granting access rights, new user creation, modification, removal of user rights, user access review and preventative controls designed to enforce segregation of duties. • For a selected group of key controls over financial and reporting systems, we independently performed procedures to determine the operating effectiveness of application controls. For those controls that were changed during the year, we tested the change management process. • We evaluated the design, implementation and operating effectiveness of the significant accounts related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission. • Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and that business users and developers did not have access to migrate changes in the production environment and the privileged access to applications, operating system and databases is restricted to authorized personnel. • For system implemented, we evaluated the program development related controls to determine whether adequate controls have been established to ensure that system implemented was authorized, tested, approved. Also, evaluated the SOCl Type2 report to determine the scope covered and controls associated with processes at Service Organisation.

<table>
<tr><th colspan="2">1. Impairment of Loans to Customers in Tata Motors Finance Limited</th></tr>
<tr><td>

Subjective estimate
Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using expected credit loss ("ECL") estimation model. The estimation of ECL on financial instrument involves significant judgements and estimates. The key areas where we identified greater levels of management judgement and therefore, increase level of audit focus in the Company's estimation of ECL's are:

- Staging of loans [i.e. classification in 'significant increase in credit risk' ('SICR') and 'default' categories]
- Model estimations – the most significant judgement aspects is determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD")
- Grouping of borrowers based on homogeneity by using appropriate statistical techniques
- Estimation of behavioural life
- Determining macro-economic factors impacting credit quality of receivables
- Estimation of losses for loan assets with no/ minimal historical defaults
- Additional considerations on account of COVID-19

ECL involves an estimation of probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecast of future economic conditions which could impact the credit quality of the Company's loans and advances.
In view of such high degree of Management's judgement involved in estimation of ECL, it is a key audit matter.

(Refer note 3(xvii)(A)(III), note 3(iii) and note 9 of the Consolidated Financial Statements)

</td><td>

The key audit procedures performed by the auditors of the subsidiary included:

- Review of the Company's accounting policies for impairment of loan assets in terms of accounting principles laid down in Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued from time to time.
- Review of implementation of policy relating to Resolution Framework for COVID-19 related stress announced by RBI
- Understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation. So as to evaluate the reasonableness of the Management estimates.
- Assessed the criteria for staging of loans based on their past due status. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under higher stages.
- Performed analytical reviews of disaggregated data to observe any unusual trends warranting additional audit procedures.
- Assessed the additional considerations applied by the Management for staging of loans as SICR or default categories in view of Company's policy on one-time restructuring.
- Tested the ECL model, including assumptions and underlying computation.
- Tested assumptions used by the Management in determining the overlay for macro-economic factors (including COVID-19 pandemic).
- Assessed disclosures included in the standalone financial statements in respect of expected credit losses.

</td></tr>
</table>

Independent Auditor's Report (Continued)

TMF Holdings Limited

<table>
<tr><th colspan="2">2. IT systems and controls in Tata Motors Finance Limited</th></tr>
<tr><td>The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated.
Accordingly, we identified IT systems and controls over financial reporting as a key audit matter for the Company.</td><td>The auditors of the subsidiary performed the below procedures:
• Tested the design and operating effectiveness of the Company's IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls.
• Review of internal reports and sample used for testing of IT related general controls.
• Tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing requests for access to systems were reviewed and authorized.
• Tested requests of changes to systems for approval and authorization. We also tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting.</td></tr>
</table>

<table>
<tr><th colspan="2">1. Impairment of Loans to Customers in Tata Motors Finance Solutions Limited
Gross loans: INR 833,823.36 lakhs for year ended March 31, 2022
Provision: INR 25,315.56 lakhs at March 31, 2022</th></tr>
<tr><td>Subjective estimate:

Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using expected credit loss (ECL) estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are:

• Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.

• Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("'LGD"), and Exposures at Default ("EAD"). The PD and</td><td>Key audit procedures included:

Design/Controls
The auditors of the subsidiary performed end to end process walkthroughs to identify the key systems, applications and controls used in ECL processes. Tested the relevant manual (including spreadsheet controls), general IT and application controls over key systems used in ECL process.

Key aspects of controls testing involved the following:

• Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models.

• Testing the 'Governance Framework' controls over validation, implementation and model monitoring inline with Reserve Bank of India guidance.

• Testing the design and operating effectiveness of the key controls over the application of the staging criteria.</td></tr>
</table>

the LGD are the key drivers of estimation complexity in ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach. • Qualitative adjustments - Adjustments to the model-driven ECL results are recorded by management to address known impairment model limitations or emerging trends as well as risks not captured by models. They represent approximately 27 % of ECL balances as at March 31, 2022. These adjustments are inherently uncertain and significant management judgement is involved in estimating these amounts especially in relation to economic uncertainty as a result of COVID-19. The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Group. The extent to which the COVID-19 pandemic will impact the Company's current estimate of impairment loss allowances is dependent on future developments, which are highly uncertain at this point. Given the size of loan portfolio relative to the balance sheet and the impact of impairment allowance on the financial statements, we have considered this as a key audit matter. **Disclosures** The disclosures regarding the Group's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results. (Refer note 3(xvii)(A)(III), note 3(iii) and note 9 of the Consolidated Financial Statements)	• Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and application of probability weights. • Testing management's controls over authorisation and calculation of post model adjustments and management overlays. • Testing management's controls on compliance with Ind AS 109 disclosures related to ECL. •Testing key controls operating over the information technology system in relation to loan impairment including system access and system change management, program development and computer operations. **Test of details** Key aspects of our testing included: • Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied. • Model calculations testing through re-performance, where possible. • Test of details of post model adjustments, considering the size and complexity of management overlays with a focus on COVID-19 related overlays, in order to assess the reasonableness of the adjustments by challenging key assumptions, inspecting the calculation methodology and tracing a sample of the data used back to source data. • Assessing disclosures - We assessed whether the disclosures appropriately disclose and address the uncertainty which exists when determining ECL. In addition, we assessed whether the disclosure of the key judgements and assumptions made was sufficiently clear.
2. Information technology in Tata Motors Finance Solutions Limited	
Information Technology ('IT') systems and controls: The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT	Audit procedures performed by the auditors of the subsidiary to assess the IT system access management included the following: General IT controls and application controls and user access management

Independent Auditor's Report (Continued)

TMF Holdings Limited

control environment could result in the financial accounting and reporting records being materially misstated. We have focused on user access management, change management, interface controls and system application controls over key financial accounting and reporting systems.	• We tested a sample of key controls operating over the information technology in relation to the financial accounting and reporting systems, including system access and system change management, program development and computer operations. • We tested the design and operating effectiveness of key controls over user access management which includes granting access rights, new user creation, modification, removal of user rights, user access review and preventative controls designed to enforce segregation of duties. • For a selected group of key controls over financial and reporting systems, we independently performed procedures to determine the operating effectiveness of application controls. For those controls that were changed during the year, we tested the change management process. • We evaluated the design, implementation and operating effectiveness of the significant accounts related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission. • Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and that business users and developers did not have access to migrate changes in the production environment and the privileged access to applications, operating system and databases is restricted to authorized personnel. • For system implemented, we evaluated the program development related controls to determine whether adequate controls have been established to ensure that system implemented was authorized, tested, approved. Also, evaluated the SOCl Type2 report to determine the scope covered and controls associated with processes at Service Organisation.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's annual report, does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

The other information is expected to be made available to us after the date of this auditor's report. When we read the other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Holding 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 Consolidated Financial Statements that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flow in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS") specified under section 133 of the Act. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, have adequate internal financial control system with reference to the Consolidated Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Consolidated Financial Statement made by management and the Board of Directors.

- 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 Group'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 Consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors 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 Consolidated 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.

Other Matters

The Consolidated Financial Statements include the audited Financial Statements of two subsidiaries i.e. Tata Motors Finance Limited and Tata Motors Finance Solutions Limited, whose Financial Statements reflect Group's share of total assets of Rs. 45,18,291.45 lakhs as at March 31, 2022, Group's share of total revenue of Rs. 4,90,099.04 lakhs, Group's share of total net profit after tax of Rs. 16,519.87 lakhs and Group's share of total comprehensive income of Rs. 36,766.19 lakhs for the period from April 1, 2021 to March 31, 2022, and cash outflow (net) of Rs. 67,690.61 lakhs for the year ended March 31, 2022, as considered in the Consolidated Financial Statements, which have been audited by their respective independent auditors. The independent auditors' reports on Financial Statements of these entities have been furnished to us and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Statements certified by the respective Board of Directors.

Attention is drawn to the fact that the audited Consolidated Financial Statements of the Group for the year ended March 31, 2021 were audited by erstwhile auditors whose report dated April 30, 2021, expressed an unmodified opinion on those audited Consolidated Financial Statements. Our opinion is not modified in respect of these matters.

Report on Other Legals and Regulatory Requirements

1) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

   b) In our opinion, proper books of account as required by relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, and rules made thereunder, as applicable.

   e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to the Consolidated Financial Statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   g) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Group has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements – Refer Note 34 to the Consolidated Financial Statements.

ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts due to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

iv. a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, other than as those disclosed in the notes to the accounts, 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 Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, other than as those disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), other than as disclosed in the notes to the accounts, with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, 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 have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, 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. a) As stated in Note 24A(f) to the Consolidated Financial Statements, the final dividend proposed in the previous year, declared and paid by the Holding Company during the current year is in accordance with Section 123 of the Act, as applicable.

b) The Board of Directors of the Holding Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with Section 123 of the Act, to the extent applicable.

2) With respect to the matter to be included in the Auditor's Report under section 197(16):

Independent Auditor's Report (Continued)

TMF Holdings Limited

In our opinion and according to the information and explanations provided to us, the remuneration paid by the Holding Company and its subsidiaries incorporated in India to its directors during the year is in accordance with the provisions of section 197 of the Act, except in case of one of the subsidiary company namely Tata Motors Finance Limited wherein, the excess remuneration paid to the Managing Director is proposed to be regularised by seeking approval of the shareholders of the said company. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

3) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by the Holding Company and by the independent statutory auditors of its subsidiaries included in the Consolidated Financial Statements of the Holding Company, to which reporting under CARO is applicable, we give below matters specified in paragraphs 3 and 4 of the Order, to the extent applicable:

Sr. No.	Name	CIN	Holding Company / Subsidiary / Associate / Joint Venture	Clause Number of the CARO report which is qualified or adverse.
1	Tata Motors Finance Solutions Limited	U65910MH1992PLC187184	Subsidiary	Clause (iii)(c)
2	Tata Motors Finance Solutions Limited	U65910MH1992PLC187184	Subsidiary	Clause (xi)(a)
3	Tata Motors Finance Limited	U45200MH1989PLC050444	Subsidiary	Clause (iii)(c)
4	Tata Motors Finance Limited	U45200MH1989PLC050444	Subsidiary	Clause (xi)(a)

For **Sudit K. Parekh & Co. LLP**
Chartered Accountants
Firm Registration No. 110512W/W100378

Nemish Kapadia
Partner
Membership No. 111929
ICAI UDIN No:22111929AIIXRF4059
Place: Mumbai
Date: May 2, 2022

Annexure "B" to the Independent Auditors' Report
(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of the Company)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 (the "Act")

Opinion

In conjunction with our audit of the Consolidated Financial Statements of TMF Holdings Limited (the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to the Consolidated Financial Statements of the Holding Company and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal controls with reference to the Consolidated Financial Statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Management and Board of Director's Responsibility for Internal Financial Controls

The respective management and Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control established by the respective Companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI. 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 respective 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, 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, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 the Consolidated 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 the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to the Consolidated Financial Statements

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated 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 Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Consolidated 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 the Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Sudit K. Parekh & Co. LLP**
Chartered Accountants
Firm Registration No. 110512W/W100378

Nemish Kapadia
Partner
Membership No. 111929
ICAI UDIN No. 22111929AIIXRF4059
Place: Mumbai
Date: May 2, 2022

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)

Consolidated Balance Sheet as at March 31, 2022

(Rs. in lakhs)

	Particulars	**Notes**	**As at March 31, 2022**	**As at March 31, 2021**
I	**ASSETS**			
1	**Financial assets**			
(a)	Cash and cash equivalents	**5**	5278,00.18	5088,95.20
(b)	Bank balance other than cash and cash equivalents	**6**	534,22.56	1137,70.41
(c)	Derivative financial instruments	**16**	87,64.13	26,35.93
(d)	Receivables			
	i. Trade receivables	**7**	28,39.04	61,52.12
	ii. Other receivables	**8**	4,37.32	31,99.71
(e)	Loans	**9**	36288,86.50	36859,17.41
(f)	Investments	**10**	1595,82.75	1146,05.99
(g)	Other financial assets	**11**	788,38.90	540,04.96
			44605,71.38	**44891,81.73**
2	**Non-financial assets**			
(a)	Current tax assets (net)		234,14.54	188,93.60
(b)	Deferred tax assets (net)	**12**	203,25.67	137,38.86
(c)	Property, plant and equipment	**13**	229,95.22	272,98.02
(d)	Capital work-in-progress		-	-
(e)	Goodwill	**14A**	205,18.53	205,18.53
(f)	Other intangible assets	**14B**	3,40.54	5,36.63
(g)	Other non-financial assets	**15**	151,49.90	162,61.65
			1027,44.40	**972,47.29**
3	**Assets held for sale**		**449,90.13**	**-**
	Total assets		**46083,05.91**	**45864,29.02**
II	**LIABILITIES AND EQUITY**			
1	**Financial liabilities**			
(a)	Derivative financial instruments	**16**	19,79.51	49,26.63
(b)	Payables	**17**		
	(i) Trade payables			
	- total outstanding dues of micro enterprises and small enterprises		10,01.23	-
	- total outstanding dues of creditors other than micro enterprises and small enterprises		238,39.46	298,48.90
	(ii) Other payables			
	- total outstanding dues of micro enterprises and small		-	-
	- total outstanding dues of creditors other than micro enterprises and small enterprises		55,28.14	60,21.33
(c)	Debt securities	**18**	12378,20.06	12777,85.52
(d)	Borrowings (Other than debt securities)	**19**	25224,28.98	25825,50.94
(e)	Subordinated liabilities	**20**	902,18.27	1008,84.50
(f)	Other financials liabilities	**21**	1106,27.15	741,52.73
			39934,42.80	**40761,70.55**
2	**Non-financial liabilities**			
(a)	Current tax liabilities (net)		4,02.55	3,71.03
(b)	Provisions	**22**	101,67.86	83,53.62
(c)	Other non-financial liabilities	**23**	84,80.36	94,57.80
			190,50.77	**181,82.45**
3	**Equity**			
(a)	Equity share capital	**24**	1648,28.34	1648,28.34
(b)	Other equity		1061,84.00	959,47.68
Equity attributable to owners			2710,12.34	2607,76.02
Non-controlling interests			3248,00.00	2313,00.00
			5958,12.34	**4920,76.02**
	Total liabilities and equity		**46083,05.91**	**45864,29.02**

See accompanying notes forming part of the financial statements (1 to 47)

As per our report of even date attached

For Sudit K. Parekh & Co. LLP
Chartered Accountants
Firm Registration Number: 110512W/W100378

Nemish Kapadia
Partner
Membership No. 111929

Place : Mumbai
Date: May 2, 2022

For and on behalf of the Board of Directors

P. S. JAYAKUMAR
Director
(DIN - 01173236)

P.B. BALAJI
Director
(DIN - 02762983)

SAMRAT GUPTA
Managing Director and
Chief Executive Officer
(DIN - 07071479)

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary

Place: Mumbai
Date: May 2, 2022

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(Rs. in lakhs)

	Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
	Revenue from operations			
	(a) Interest income	25	4120,84.01	4255,61.94
	(b) Dividend income		194.36	73.83
	(c) Rental income		60,57.54	64,30.12
	(d) Net gain on fair value changes	26	157,28.74	148,09.55
	(e) Net gain on derecognition of financial instruments under amortised cost category		291,84.66	94,88.57
	(f) Other fees and service charges		201,27.81	105,92.59
I	**Total Revenue from operations**		**4833,77.12**	**4669,56.60**
II	Other income	27	149,78.55	212,84.79
III	**Total income (I + II)**		**4983,55.67**	**4882,41.39**
IV	**Expenses:**			
	(a) Finance cost	28	2718,83.55	2851,41.89
	(b) Impairment of financial instruments and other assets	29	1278,06.66	974,24.04
	(c) Employee benefits expenses	30	312,13.50	311,13.10
	(d) Depreciation, amortization and impairment	13	59,89.69	61,55.01
	(e) Other expenses	31	513,13.48	418,06.78
	Total expenses		**4882,06.88**	**4616,40.82**
V	**Profit before exceptional items and tax (III - IV)**		**101,48.79**	**266,00.57**
VI	**Exceptional items**		-	-
VII	**Profit for the year before tax (V - VI)**		**101,48.79**	**266,00.57**
VIII	**Tax expense / (income)**	12		
	Current tax		66,16.63	5,70.07
	Deferred tax		(121,06.85)	(8,88.14)
	Total tax expense		**(54,90.22)**	**(3,18.07)**
IX	**Profit for the year after tax (VII - IX)**		**156,39.00**	**269,18.64**
X	**Other comprehensive income**			
	A i. Items that will not be reclassified to profit or loss			
	a. Remeasurements of the defined benefit plans		1,91.75	(4,11.34)
	b. Equity Instruments through Other Comprehensive Income		21,17.08	50,01.59
	ii. Income tax relating to items that will not be reclassified to profit or loss		(5,32.83)	-
	Subtotal (A)		**17,76.00**	**45,90.25**
	B i. Items that will be reclassified to profit or loss			
	a. Net Gains/(losses) on cash flow hedges		36,38.60	(2,51.99)
	b. Debt Instruments through Other Comprehensive Income		198,15.66	168,14.91
	ii. Income tax relating to items that will be reclassified to profit or loss		(49,87.21)	-
	Subtotal (B)		**184,67.05**	**165,62.92**
	Other Comprehensive Income (A + B)		**202,43.04**	**211,53.17**
XI	**Total comprehensive income for the year (IX + X)**		**358,82.05**	**480,71.81**
XII	**Earnings per equity share of Rs. 100 each**			
	Basic (in Rs.)		**(0.30)**	**1.55**
	Diluted (in Rs.)		**(0.30)**	**1.55**

See accompanying notes forming part of the financial statements (1 to 47)

As per our report of even date attached

For Sudit K. Parekh & Co. LLP
Chartered Accountants
Firm Registration Number: 110512W/W100378

Nemish Kapadia
Partner
Membership No. 111929

Place: Mumbai
Date: May 2, 2022

For and on behalf of the Board of Directors

P. S. JAYAKUMAR
Director
(DIN - 01173236)

P.B. BALAJI
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RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary

Place: Mumbai
Date: May 2, 2022

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Consolidated Statement of Cash Flow for the year ended March 31, 2022

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit for the year before tax	**101,48.79**	**266,00.69**
Adjustments for:		
Interest income on loans, deposits and investments	(4113,69.01)	(4255,66.26)
Finance costs (other than Interest expense on assets taken on lease)	2706,68.34	2847,20.29
Interest expense on assets taken on lease	5,07.72	4,21.61
Allowance for loan losses (net of writeoff)	1255,98.97	967,32.10
Allowance for doubtful loans and advances (others)(net of write off)	22,07.71	6,91.93
Gain on sale of investments	(98,35.47)	(96,07.62)
Net gain on fair value changes (unrealised)	(70,78.67)	(52,01.93)
Dividend Income	(194.36)	(73.83)
Profit on sale of property, plant and equipments (net)	(16,95.27)	(17,14.69)
Depreciation and amortization expense	59,89.68	61,55.01
Balance written off/ (written back)	4,47.31	(25,12.12)
Fair value loss on derivative instruments	11,20.73	20,74.17
Non cash changes in lease liabilities	-	(1,05.42)
Operating cash flow before working capital changes and discounting charges	**(134,83.53)**	**(273,86.05)**
Movements in working capital		
Trade receivables	22,98.19	134,12.58
Other receivables	(16,47.47)	29,65.28
Loans	(793,73.81)	(4371,99.70)
Other financial assets	(151,47.26)	(475,13.41)
Trade payables	(41,87.67)	54,54.73
Other payables	(4,95.37)	28,57.92
Other non financial assets	11,80.35	(44,02.23)
Other financial liabilities	238,52.95	134,88.51
Provisions	373.99	98.65
Other non financial liabilities	(6,71.95)	38,66.30
	(873,01.57)	**(4743,57.41)**
Finance costs paid	(2964,06.59)	(2391,32.80)
Interest income received on loans, deposits and investments	4046,28.22	3133,27.69
Dividend income	1,94.36	-
Income taxes paid (net)	(84,06.37)	(300,63.42)
Net cash generated from/(used in) from operating activities	**127,08.05**	**(4302,25.94)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments and intangible assets	(20,57.56)	(33,41.14)
Proceeds from sale of property, plant and equipments	57,62.59	3,34.19
Purchase of mutual fund units	(123788,52.12)	(103369,59.89)
Redemption of mutual fund units	124709,86.69	103175,07.17
Redemption of Non Convertible Debentures (NCDs)	47,00.00	3,00.00
Investment in equity shares	-	(1,81.28)
Distribution from SBI trust securities	2,58.66	-
Investment in trust securities	-	(4.58)
Proceeds from sale of assets held for sale (Net)	-	10,86.16
Investment in Government Securities	(1228,21.49)	-
Investment in Preference shares	(328,42.24)	-
Deposits/restricted deposits with banks	(354,16.51)	(796,57.18)
Realisation of deposits/restricted deposits with banks	957,64.37	1046,27.31
Dividend income	-	73.83
Net cash generated from investing activities	**54,82.40**	**37,84.59**

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Consolidated Statement of Cash Flow for the year ended March 31, 2022

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of dividend	(13,02.00)	-
Interest payment on purchase of Right to use assets	(5,07.72)	(4,21.82)
Principal payment on purchase of Right to use assets	(10,20.30)	(9,94.03)
Distributions made to holders of Instruments entirely equity in nature	(208,89.39)	(28,75.00)
Proceeds from issue of Instruments entirely equity in nature (net of issue expenses)	887,43.68	1978,01.60
Proceeds from Debt securities	11299,33.03	26941,27.71
Repayment of Debt securities	(12085,59.66)	(23889,45.16)
Repayment of Subordinated liabilities	(154,45.00)	(361,00.00)
Proceeds from borrowings (other than debt securities)	24557,22.43	16146,68.63
Repayment of borrowings (other than debt securities)	(24259,60.52)	(13581,79.80)
Net cash generated from financing activities	**7,14.53**	**7190,82.12**
Net increase in cash and cash equivalents (A + B + C)	**189,04.98**	**2926,40.76**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash and cash equivalents at the beginning of the year	5088,95.20	2162,54.44
Cash and cash equivalents at the end of the year	5278,00.18	5088,95.20
Net increase in cash and cash equivalents [Refer: Notes below]	**189,04.98**	**2926,40.76**

See accompanying notes forming part of the financial statements (1 to 47)

Notes:
1 Finance costs has been considered as arising from operating activities in view of the nature of the group's business
2 The Statement of Cash Flows has been presented using indirect method as per the requirements of Ind AS 7 Statement of Cash Flows.

As per our report of even date attached

For Sudit K. Parekh & Co. LLP
Chartered Accountants
Firm Registration Number: 110512W/W100378

Nemish Kapadia
Partner
Membership No. 111929

Place: Mumbai
Date: May 2, 2022

For and on behalf of the Board of Directors

P. S. JAYAKUMAR
Director
(DIN - 01173236)

P.B. BALAJI
Director
(DIN - 02762983)

SAMRAT GUPTA
Managing Director and
Chief Executive Officer
(DIN - 07071479)

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary

Place: Mumbai
Date: May 2, 2022

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)

Consolidated Statement of Changes in Equity for the year ended March 31, 2022

A. Equity share capital

Equity Shares	March 31, 2022		March 31, 2021	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	1,648,283,442	1648,28.34	1,648,283,442	1648,28.34
Shares issued during the year	-	-		
Shares outstanding at the end of the year	1,648,283,442	1648,28.34	1,648,283,442	1648,28.34

(Rs. in lakhs)

Particulars	Equity component of compound financial instrument (Refer Note 24B)	Reserve & surplus				Other components of equity				Total
		Special reserve	Securities Premium Account	Capital reserve	Retained earnings	Equity instruments through OCI	Debt instruments through OCI	Cost of hedging Reserve	Hedging Reserve	
Balance as at April 01, 2021	370,72.59	470,25.80	1512,91.43	241,72.78	(1892,52.43)	49,76.90	256,77.83	90.58	(51,07.80)	959,47.68
Profit for the year	-	-	-	-	156,39.00	-	-	-	-	156,39.00
Other comprehensive income /(loss) for the year	-	-	-	-	1,91.75	97,67.45	66,45.26	(547.62)	41,86.22	202,43.04
Total Comprehensive income/(loss) for the year	-	-	-	-	158,30.75	97,67.45	66,45.26	(547.62)	41,86.22	358,82.04
Dividend paid (including dividend tax)	-	-	-	-	-	-	-	-	-	-
Distributions made to holders of Instruments entirely equity in nature	-	-	-	-	(208,89.40)	-	-	-	-	(208,89.40)
Share issue expenses and transaction cost incurred on equity instruments	-	-	-	-	(47,56.32)	-	-	-	-	(47,56.32)
Transfer to Special Reserve	-	38,38.79	-	-	(38,38.79)	-	-	-	-	-
Balance as at March 31, 2022	**370,72.59**	**508,64.59**	**1512,91.43**	**241,72.78**	**(2029,06.19)**	**147,44.35**	**323,23.09**	**(4,57.06)**	**(9,21.58)**	**1061,84.00**

Particulars	Equity component of compound financial instrument (Refer Note 24B)	Reserve & surplus				Other components of equity				Total
		Special reserve	Securities Premium Account	Capital reserve	Retained earnings	Equity instruments through OCI	Debt instruments through OCI	Cost of hedging Reserve	Hedging Reserve	
Balance as at April 01, 2020	370,72.59	381,54.03	1512,91.43	241,72.78	(1955,14.56)	(24.70)	88,62.92	1,68.63	(49,33.86)	592,49.27
Profit for the year	-	-	-	-	269,18.64					269,18.64
Other comprehensive income /(loss) for the year	-	-	-	-	(4,11.34)	50,01.59	168,14.91	(78.05)	(1,73.94)	211,53.18
Total Comprehensive income/(loss) for the year	-	-	-	-	265,07.30	50,01.59	168,14.91	(78.05)	(1,73.94)	480,71.82
Dividend paid (including dividend tax)	-	-	-	-	(28,75.00)	-	-	-	-	(28,75.00)
Share issue expenses and transaction cost incurred on equity instruments	-	-	-	-	(84,98.40)	-	-	-	-	(8498.40)
Transfer to Special Reserve	-	88,71.77	-	-	(88,71.77)	-	-	-	-	-
Balance as at March 31, 2021	**370,72.59**	**470,25.80**	**1512,91.43**	**241,72.78**	**(1892,52.43)**	**49,76.90**	**256,77.83**	**90.58**	**(51,07.80)**	**959,47.68**

See accompanying notes forming part of the financial statements (1 to 47)

As per our report of even date attached
For Sudit K. Parekh & Co. LLP
Chartered Accountants
Firm Registration Number: 110512W/W100378

Nemish Kapadia
Partner
Membership No. 111929

Place : Mumbai
Date: May 2, 2022

For and on behalf of the Board of Directors

P. S. JAYAKUMAR
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(DIN - 07071479)

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary

Place: Mumbai
Date: May 2, 2022

Note 1 Background and operations

TMF Holdings Limited (the "Company") is registered as a Non-Banking Financial (Non-Deposit Accepting or Holding) Company with the Reserve Bank of India (RBI) with effect from August 9, 2006. Pursuant to application requesting for conversion of the Group to a Core Investment Company, submitted to RBI on June 23, 2017, RBI issued a fresh Certificate of Registration of NBFC - Non Deposit taking - Systemically Important - Core Investment Company (CIC) dated October 12, 2017 to the Company. The Company is a subsidiary of Tata Motors Limited. With effect from June 17, 2017, the name of the Company has changed to TMF Holdings Limited from Tata Motors Finance Limited.

The Company is primarily a holding company, holding investments in its subsidiaries and other Group companies.
The Company and its subsidiaries (collectively referred to as "the Group") is engaged primarily in lending activities providing finance for vehicles and to corporates dealers and vendors of ultimate parent company (referred to as "Tata Motors Limited"), through its PAN India branch network. Tata Motors Finance Limited is also engaged in leasing commercial vehicles and passenger vehicle.
The consolidated financial statements were approved by the Board of Directors and authorised for issue on May 2, 2022.

Note 2 Basis of preparation of financial statements

2.1 Statement of compliance

The financial statements of the Group 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 Group are discussed in para 3(iii) - Use of estimates and judgements.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lacs, except when otherwise indicated.

2.2 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.

2.3 Presentation of financial statements

The financial statements of the Group are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, 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.

Note 3 SIGNIFICANT ACCOUNTING POLICIES

The principal 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.

(i) Basis of Consolidation

Subsidiaries

The consolidated financial statements include the Company and its subsidiaries. Subsidiaries are entities controlled by the Group. Control exists when the Group
(a) has power over the investee,
(b) it is exposed, or has rights, to variable returns from its involvement with the investee and
(c) has the ability to affect those returns through its power over the investee.
The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above. In assessing control, potential voting rights that currently are exercisable are taken into account. The results of subsidiaries acquired or disposed off during the year are included in the consolidated financial statements from the effective date of acquisition and up to the effective date of disposal, as appropriate.
The financial statements of the Group and its subsidiary companies have been consolidated on a line-by-line basis by adding together of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions and resulting unrealised profit or losses, unless cost cannot be recovered, as per the applicable Accounting Standard in India. Accounting policies of the respective subsidiaries entities are aligned wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.
Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Interest in Joint arrangements- Joint Venture

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are incorporated in these financial statements using the equity method of accounting as described below.

Equity method of accounting (equity accounted investees)

An interest in an joint venture is accounted for using the equity method from the date in which the investee becomes a joint venture and are recognised initially at cost. The Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses if any. The consolidated financial statements include the Group's share of profits or losses and equity movements of equity accounted investees, from the date that joint control commences until the date that joint control ceases.

When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments in the nature of net investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint venture, unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred and where material, the results of joint ventures are modified to confirm to the Group's accounting policies.

(ii) Business Combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognized in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognized at their fair value at the acquisition date, except certain assets and liabilities required to be measured as per the applicable standard.

Purchase consideration in excess of the Group's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognized as goodwill. Excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognized, after reassessment of fair value of net assets acquired, in the Capital Reserve.

Business combinations arising from transfer of interests in entities that are under common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholder's equity.

(iii) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and 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 included in following notes :

a) Note 3 (xvii) A- Business model assessment for classification and measurement of financial assets
b) Note 3 (xvii) A and 43 - Impairment of financial assets based on the expected credit loss model
c) Note 3(iv) - Recognition of interest income/expenses using Effective Interest Rate (EIR) method.
d) Note 3(ix) and 3(x) - Useful lives of property, plant and equipment and intangible assets.
e) Note 3(xiii) and 35 - Measurement of assets and obligations of defined benefit employee plans.
f) Note 3(vi) and 12 - Recognition of deferred tax assets.
g) Note 3(xiv) - Measurement and recognition of Provisions and Contingencies.
h) Note 3(xix) and 37 - Fair value measurement of Financial Instruments.
i) Note (xvii) A - Effective Interest Rate (EIR) methodology that represents the best estimate of a constant rate of return over the expected behavioural life of financial instruments.
j) Note (xi)- Determination of lease term where Group is a lessee
k) Note 3(x) & 12A- Impairment of intangible assets- goodwill

(iv) Revenue recognition

Revenue from Operations

(a) Income on loans arising from financing activities

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired, the Group calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset.
The EIR in case of a financial asset is computed

- the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- by considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees/service charges and incentives paid and received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.
Overdue Interest is recognised on a point-in-time basis, and are recorded when realised since the probability of collecting such monies is established when the customer pays.

Income from direct assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the consolidated statement of profit and loss.

The Group recognises either a servicing asset or a servicing liability for servicing contract. If the fee to be received is expected to be more than adequate compensation for the servicing activities, a servicing asset is recognised with a corresponding credit in Statement of Profit and Loss. If the fee to be received is not expected to compensate the Group adequately for performing the servicing activities, a servicing liability for the servicing obligation is recognised with a corresponding charge to Statement of Profit and Loss.

(b) Dividend

Dividend income is recognised in the consolidated statement of profit and loss on the date
- when the Group's right to receive the payment is established
-it is probable that the economic benefits associated with the dividend will flow to the entity; and
- the amount of dividend can be reliably measured

(c) Rental Income

Rental income arising from operating lease is recognised on a straight-line basis over the lease term.
Rental income arising from finance lease are apportioned between principal and interest based on the interest rate implicit in the lease. The interest portion of the rental income is recognised under the head Interest Income in the statement of profit or loss.

(d) Fees and Commission Income

Fees and commissions which do not form part of the effective interest rate calculation are recognised when the Group satisfies the performance obligation over time and are accrued as and when they are due.

Other Income

Support Services Fee income earned for the services rendered are recognized as and when they are due.

(v) Foreign currency

These financial statements are presented in Indian rupees, which is the functional currency of the Group.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date.
Exchange differences are recognised in the consolidated statement of profit and loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalised as part of borrowing costs.

(vi) Income Taxes

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.

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 Group intends to settle its current and deferred tax assets and liabilities on a net basis.

(vii) Cash and Cash equivalent

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

(viii) Earning per share

Basic earnings per share has been computed by dividing profit for the year by the weighted average number of shares outstanding during the year. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

(ix) Property, Plant and equipment (PPE)

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.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Group in future periods, and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses, are charged to the consolidated statement of profit and loss during the period in which they are incurred.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss, arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the asset, and is recognised in the consolidated statement of profit and loss.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the reporting date.

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.

Schedule II to the Companies Act 2013 (‘Schedule’) prescribes the useful lives for various class of assets. For certain class of assets, based on technical evaluation and assessment, Management believes that, the useful lives adopted by it reflects the periods over which these assets are expected to be used. Accordingly for those assets, the useful lives estimated by the management are different from those prescribed in the Schedule. Management’s estimates of the useful lives for various class of PPE are as given below:

Type of Asset	Estimated useful life
Building	19 and 60 Years
Data Processing Machines	3 Years
Furniture and Fixture	5 and 10 Years
Office Equipment	2 to 10 Years
Motor Vehicles	4 and 5 Years
Vehicles on Operating Lease	4 and 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.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition. Depreciation on deductions/ disposals is provided on a pro-rata basis upto the month preceding the month of deduction/disposal.

However, leasehold improvements and PPE located in leasehold premises are depreciated on a straight-line method over shorter of their respective useful lives or the tenure of the lease arrangement.

Individual assets costing less than Rs. 5,000/- are expensed off at the time of purchase.

(x) Other intangible assets

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 consolidated 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 Assets	Estimated useful Life
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 consolidated statement of profit and loss when the asset is derecognised.

(xi) 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 mentioned below

(A) Group is a Lessee- Assets taken on lease

(i) Right of use of assets

The Group recognises right- of- use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and lease term. Right-of-use assets are subject to impairment.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) and variable lease payment that depend on a index or rate less any lease incentives receivable. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

The variable lease payments that do not depend on an index or a rate are recognised in the consolidated statement of profit and loss as an expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest with corresponding amount recognised in finance cost under the consolidated statement of profit and loss and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Group applies recognition exemption of not to recognise right-of-use assets and lease liabilities for short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and low-value assets that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense in the consolidated statement of profit and loss on a straight-line basis over the lease term.

(B) Group 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 Group has given vehicles on lease where it has substantially retained the risks and rewards incidental to ownership of an vehicle and hence these are classified as operating lease. These assets given on operating lease are included in Property Plant and Equipment (PPE). Depreciation on the vehicle are recognized as an expense in the consolidated 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 consolidated statement of profit and loss in the form of depreciation over the operating lease term.

Lease rental income is recognised in the consolidated 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.

Assets given on finance lease

The Group has given vehicles on lease where it has transferred substantially all the risks and rewards incidental to ownership of an vehicle and hence these are classified as finance lease.

Assets given under finance lease are recognised as a finance lease receivable at an amount equal to the net investment in the lease. The net investment in the lease is calculated by discounting the gross investment in lease at the interest rate implicit in the lease. Lease rentals for the period are apportioned between principal and interest income. The portion of principal amount forming part of principal amount reduces the net investment in the lease. Interest (finance) income is recognised in the statement of profit or loss under Interest Income over the lease term, based on a pattern reflecting a constant periodic rate of return on the Group's net investment in the lease.

(xii) Impairment of Non financial assets

Goodwill

Cash generating units to which goodwill is allocated are tested for impairment annually at each balance sheet date, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to that unit and then to the other assets of the unit pro rata on the basis of carrying amount of each asset in the unit. Goodwill impairment loss recognized is not reversed in subsequent period.

Property, plant and equipment and other intangible assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of profit and loss.

(xiii) Employee benefits

(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

(1) Defined contribution plans

Superannuation fund

For superannuation fund, Group does not carry any further obligations, apart from the contributions made. Payments/Contributions to the Group’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 consolidated statement of profit and loss.

(2) Defined benefit plans

(a) Provident fund

In accordance with Indian law, eligible employees of TMF Holdings Limited and one of the subsidiary Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions, except the employer's contribution towards pension fund paid to the Regional Provident Fund office, as specified under the law, are made to the provident fund set up as an irrevocable trust by Tata Motors Limited (ultimate Parent Company). The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation. The principal and interest liability arising only to the extent of the aforesaid differential shortfalls is a defined benefit.

(b) 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 Group has 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 consolidated 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.

(C) Other long term employee benefit plans

(1) 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.

(xiv) Provisions and Contingent Liabilities

A provision is recognised if, as a result of a past event, the Group 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 Group.

Claims against the Group, 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.

(xv) Dividend

Any dividend declared or paid by Group and its subsidiaries is based on the profits available for distribution as reported in the financial statements. Indian law mandates that dividend be declared out of distributable profits, after setting off un-provided losses and depreciation of previous years. In case of inadequacy or absence of profits in a particular year, a group may pay dividend out of accumulated profits of previous years transferred to consolidated statement of profit and loss. However, in the absence of accumulated profits a group may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in these financial statements may not be fully distributable. Further, Declaration of dividend from the profits of the financial year ending March 31, 2022 are also subject to guidelines of RBI in this regard.

(xvi) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The power to assess the financial performance and position of the Group and make strategic decisions is vested in the Board of Directors Committee who has been identified as the chief operating decisions maker.

(xvii) Financial instruments

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 Group becomes a party to the contractual provisions of the instrument.

(A) 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 Group 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 subsequent measurement

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

a. at amortised cost, or

b. at fair value through other comprehensive income (FVTOCI), or

c. at fair value through profit or loss (FVTPL)

The above classification depends on the Group’s business model for managing the financial assets and the contractual terms of the cash flow.

(I) Debt Instruments

initial classification of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments.

(a) At amortised cost:

A debt instrument is measured at amortised cost, if both the following conditions are satisfied/ fulfilled

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets 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 income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to finance receivables and investments.

(b) At FVTOCI:

A debt instrument is classified at FVTOCI, if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the OCI. However, the Group recognises interest income, impairment losses and reversals in the consolidated statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the consolidated statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(c) At FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of profit and loss.

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

(II) Equity Instruments/investments

Investments in equity instruments are measured at fair value. Equity instruments, which are held for trading, are classified as at FVTPL. For equity instruments, other than held for trading, the Group has irrevocable option to present in OCI subsequent changes in the fair value. the Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Group classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to consolidated statement of profit and loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the consolidated statement of profit and loss.

(III) Impairment of financial assets

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

- equity instruments which are not subject to impairment under Ind AS 109, and
- other debt financial assets held at fair value through profit or loss (FVTPL)

The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial assets ('lifetime ECL), unless there had been no significant increase in credit risk of a default occurring since origination or initial recognition, in which case, the impairment allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL (both life time and 12 months) for loans for pre-owned vehicles and new vehicles are calculated on a collective basis considering the homogeneous nature of the underlying portfolio of financial assets. For loans to corporate dealers and vendors of Ultimate Holding Company, ECL is calculated bias individual assessment.

The impairment methodology applies depends on whether there has been significant increase in credit risk. When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forward-looking information.

The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). The Group has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial assets. The Group categorises financial assets at the reporting date into stages based on the days past due ('DPD') status as under:

- Stage 1: Low credit risk, i.e. 0 to 30 days past due
- Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due
- Stage 3: Credit Impaired assets, i.e. more than 90 days past due or cases where the group suspects fraud and legal proceedings are initiated.

For restructured cases which are not getting covered under any specific regulatory package issued by RBI, as a part of qualitative assessment of whether a customer is in default (i.e. credit impaired), the Company carefully considers and assesses various instances to determine whether the restructuring of a loan or advance should result in treating the customer as defaulted and therefore assessed as stage 3 for ECL calculations.

Definition of default

The Group considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

LGD is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. PD estimation process is done based on historical internal data available with the Group.

EAD represents gross carrying amount at the reporting date in case of Stage 1 and Stage 2. In case of Stage 3 loans EAD represents gross carrying amount at the time when the default occurred for 1st time.

Forward looking information

While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the group analyses if there is any relationship between key economic trends like GDP, Brent rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, determined by the Group based on its internal data. While the internal estimates of PD, LGD rates by the Group may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Based on the consideration of external actual and forecast information, the group forms a 'base case' view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

Collateral valuation:

The Group creates & secures first and exclusive collateral charge at the time of loan origination on all vehicles for which vehicle financing loans are given. Hypothecation endorsement is obtained in favour of the Group in the Registration Certificate of the Vehicle funded under the vehicle finance category. Other than the above, for the corporate lending loan exposure, wherever required the Company obtains security cover in the form of immoveable properties by creating charge over the collateral. Any surplus remaining after settlement of outstanding loan by way of sale of vehicle (collateral) is returned to the customer. In case where the Company has settled outstanding dues against repossession of the underlying collateral, collateral is recorded as assets held for sale in the balance sheet.

The Company enter into a financial guarantee contracts which require the issuer of such contract to reimburse the Company for a loss it incurs because a specified customer fails to make payment when due in accordance with the terms of the loan. For these separate third party financial guarantee contracts, the Company recognises a reimbursement asset of an amount expected to receive from issuer of financial guarantee with a corresponding reimbursement gain as a reduction in the impairment charge in the Statement of profit and loss, if it is considered virtually certain that a reimbursement would be received if the specified customer fails to make payment when due in accordance with the terms of the loans. Reimbursement gain is presented as other financial assets in the balance sheet.

The measurement of impairment losses across all the categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of financial statements. The Group regularly reviews its models in the context of actual loss experience and makes adjustments when such differences are significantly material.

The amount of ECL (or reversal) at the reporting date is recognised as an impairment loss/(gain) in the consolidated statement of profit and loss.

ECL on Debt instruments measured at amortised cost

The ECLs for debt instruments measured at amortised cost is reduced from the gross carrying amount of these financial assets in the balance sheet.

ECL on Debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the gross carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

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 Group's recovery procedures, taking into account legal advice where appropriate. Any subsequent recoveries against such financial assets are credited to the consolidated statement of profit and loss.

(IV) Derecognition of financial assets

The Group de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises an associated liability as collateralised borrowing for the proceeds received.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI, and accumulated in equity is recognised in the consolidated statement of profit and loss.

(B) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments, issued by the Group, are classified as either financial liabilities or as equity, in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(I) 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 Group's financial liabilities majorly comprise of trade and other payables, loans and borrowings, including bank overdrafts and cash credit facility and derivative financial instruments.

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 at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group, that are not designated and effective as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments.

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.

Financial guarantee contracts:

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 - Financial Instruments; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 - Revenue from contracts with customers

Derecognition of financial liabilities:

The Group de-recognises financial liabilities when and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in consolidated statement of profit and loss.

Modification/Renegotiation that do not result in derecognition

Changes to the carrying amount of a financial liability as a result of renegotiation or modification of terms that do not result in derecognition of the financial liability, is recognised in the consolidated statement of profit and loss. Any subsequent changes in the estimation of the future cash flows of financial liability is recognised under finance cost in the statement of profit or loss with the corresponding adjustment to the carrying amount of the financial liability.

(II) Equity Instrument

An equity instrument is any contract that evidences residual interests in the assets of the Group after deducting all of its liabilities.

Incremental costs incurred which are directly attributable to the issue of new shares are shown in equity as deduction, net of tax, from the proceeds.

(III) Compound financial Instrument

The components of compound financial instruments (For example- Conversion option) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and definitions of a financial liability and an equity instrument. A conversion option that will be settled by exchange of fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest rate method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of liability component from the fair value of the compound financial instruments as a whole. This is recognised and included in equity, net of tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible instrument are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the life of the convertible instrument using effective interest rate method.

(xviii) Derivatives and Hedging activities

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk, including foreign exchange forward contracts and interest rate swaps. Further details of derivative financial instruments are disclosed in Note 16.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting date. The resulting gain or loss is recognised in Statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument (Refer sub note (a) below), in which event the timing of recognition in profit or loss depends on the nature of the hedging relationship and nature of the hedge item.

Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivatives are not closely related to the economic characteristics and risks of the host and accordingly, are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

(a) Hedge accounting

The Group designates foreign currency forward derivative contracts as hedges of foreign exchange risk associated with the cash flows of foreign currency risks associated with the borrowings denominated in foreign currency (referred to as "cash flow hedges").

The Group documents at the inception of the hedging transaction the economic relationship between the hedging instruments and hedge items including whether the hedging instrument is expected to offset changes in the cash flows of hedge items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of the hedging relationship.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity to effective portion (as described above) are reclassified to profit or loss in the periods when the hedge item affects profit or loss, in the same line as the recognised hedge item.

In cases where the designated hedging instruments are forward contracts, the Group has an option, for each designation, to designate on an instrument only the changes in spot element of forward contracts respectively as hedges. In such cases, the forward element (i.e. forward premium) is accounted based on the type of hedge which those forward contract hedge.

The changes in the forward element of the forward contracts are recognised within other comprehensive income in the costs of hedging reserve within equity.

In case of transaction related hedge item in the above cases, the changes in the forward element (i.e. forward premium) of the forward contracts accumulated within other comprehensive income in the costs of hedging reserve within equity is reclassified to profit or loss as a reclassification adjustment in the same period in which the hedged expected future cash flows affect profit or loss.

In case of time-period related hedge item in the above cases, the changes in the forward element (i.e. forward premium) of the forward contracts accumulated within other comprehensive income in the costs of hedging reserve within equity is amortised on a systematic and rational basis over the period during which the forward contracts spot element could affect profit or loss as a reclassification adjustment from other comprehensive income.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised or no longer qualifies for hedge accounting.

(xix) Fair value measurement

A number of Group'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 Group 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 Group can access at measurement date

(xx) Offsetting financial instruments

Financial assets and financial liabilities are offset when it currently has a legally enforceable right (not contingent on future events) to off-set the recognised amounts and the Group intends either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4 Recent Accounting Pronouncement

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

Ind AS 103 – Business Combination

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

Ind AS 16 – Property, Plant and Equipment

The amendments prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Financial Instruments

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

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

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

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

Note 4A: Group Information

Particulars of subsidiaries and joint venture which have been considered in the preparation of the consolidated financial statements:

Sr. no	Name of the Company	Country of Incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2022	As at March 31, 2021
	Subsidiaries			
1	Tata Motors Finance Limited	India	100	100
2	Tata Motors Finance Solutions Limited	India	100	100
	Joint Venture			
1	Loginomic Tech Solutions Private Limited*	India	26	26

*Provision for impairment loss allowance for investments held in joint venture has been recognised as the Group does not expect to recover its cost of investment no further losses of equity accounting has been taken in the current year considering the investments carrying value under equity accounted investee is fully impaired.

Note 4B: Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary /Joint Ventures

(Rs. in lakhs)

Sr. No	Name of the Company	As % of consolidated net assets	Net Assets (total assets minus total liabilities)	As % of consolidated profit or loss	Share of profit or loss	As % of other comprehensive income	Share of OCI	As % of total comprehensive income	Share of total comprehensive income
	Parent								
1	TMF Holdings Limited	98%	5831,10.85	34%	53,60.97	0%	(3.27)	15%	53,57.70
	Subsidiaries								
1	Tata Motors Finance Limited	81%	4799,31.70	-17%	(26,74.00)	60%	120,75.49	26%	94,01.49
2	Tata Motors Finance Solutions Limited	32%	1901,18.68	123%	191,93.87	40%	81,70.82	76%	273,64.70
	Adjustments arising out of consolidation	(110%)	(6573,48.89)	(40%)	(62,41.84)	-	-	(17%)	(6241.84)
		100%	**5958,12.34**	**100%**	**156,39.00**	**100%**	**202,43.04**	**100%**	**358,82.05**

Note 5
Cash and cash equivalents

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	11,37.05	10,97.24
Balance with banks	1630,44.89	2018,21.40
Cheques, drafts on hand	25,62.12	1476.56
Bank deposit with maturity of less than 3 months	3610,56.12	3045,00.00
Total	**5278,00.18**	**5088,95.20**

Note 6
Bank Balance other than cash and cash equivalents

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits with banks	170,29.86	602,76.11
Earmarked balances with banks (Refer note i)	31.90	47.96
Margin money / cash collateral with banks (Refer note (ii))	363,60.80	534,46.34
Total	**534,22.56**	**1137,70.41**

Note :-
(i) Earmarked balances with banks on account of unclaimed interest on debt securities.
(ii) Margin money / cash collateral with banks acting as credit enhancement in respect of securitisation transactions.

Note 7
Trade Receivables

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Receivables considered good - Unsecured	46,42.80	69,46.82
Less: Provision for impairment	(18,03.76)	(794.70)
Total	**28,39.04**	**61,52.12**

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

(Rs. in lakhs)

As at March 31, 2022							
		Outstanding for following periods from due date of payment					Total
Particulars	Unbilled	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	1,495.77	1,131.81	365.05	28.69	-	-	**3021.32**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables–considered good	-	502.61	578.99	371.39	168.49	-	**1,621.48**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Total	**1,495.77**	**1,634.42**	**944.04**	**400.08**	**168.49**	**-**	**4,642.80**

(Rs. in lakhs)

As at March 31, 2021							
		Outstanding for following periods from due date of payment					Total
Particulars	Unbilled	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables –	1,807.98	4,201.72	134.44	-	-	-	**6144.14**
(ii) Undisputed Trade Receivables –	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables	-	-	-	-	-	-	**-**
(iv) Disputed Trade	-	450.79	157.68	194.21	-	-	**802.68**
(v) Disputed Trade Receivables –	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables –	-	-	-	-	-	-	**-**
Total	**1,807.98**	**4,652.51**	**292.12**	**194.21**	**-**	**-**	**6,946.82**

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

Note 8

Other Receivables

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured considered good	4,37.32	31,99.71
Total	**4,37.32**	**31,99.71**

No other receivable are due from directors or other officers of the group 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.

Note 9

Loans (at amortised cost)

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(A)		
i. At Amortised Cost		
From Financing Activities		
- Term loans	20985,65.15	28285,75.36
- Finance Lease receivables	73,94.54	19,08.49
- Channel Financing	1302,68.14	641,13.94
- Credit substitues (refer note (i))	1568,61.33	1205,74.15
From other than financing activities		
- Inter corporate deposits	50.00	50.00
Total (i) - Gross	**23931,39.16**	**30152,21.94**
Less: Impairment loss allowance	(1732,81.53)	(1210,37.76)
Total (i) - Net	**22198,57.63**	**28941,84.18**
ii. At fair value through Other comprehensive income (FVOCI)		
From Financing Activities		
- Term loans	14228,68.02	7988,89.02
Less: Impairment loss allowance	(138,39.15)	(71,55.79)
Total (ii) - Net	**14090,28.87**	**7917,33.23**
Total (A) = (i)+(ii)	**36288,86.50**	**36859,17.41**
(B)		
Secured by tangible assets (refer note (ii))	34584,76.12	34854,92.63
Covered by government guarantees (refer note (iii))	2311,18.76	2311,18.76
Unsecured	1264,12.30	974,99.57
Total (B) - Gross	**38160,07.18**	**38141,10.96**
Less: Impairment loss allowance	(1871,20.68)	(1281,93.55)
Total (B) - Net	**36288,86.50**	**36859,17.41**
Loans in India		
- Public Sector	-	-
- Others	38160,07.18	38141,10.96
Total (C) - Gross	**38160,07.18**	**38141,10.96**
Less: Impairment loss allowance	(1871,20.68)	(1281,93.55)
Total (C) - Net	**36288,86.50**	**36859,17.41**

Notes

(i) Investments in bonds, debentures and other financial instruments which, in substance, form a part of the Group’s financing activities ("Credit Substitutes") have been classified under Loans.

(ii) Group covers/secures the credit risk associated with the loans lended to customers by creating an exclusive charge/ hypotheciation/ security on the assets/vehicles as mentioned/sepecified in the loan agreement wih the customers. This includes vehicle term loan lending done to Micro and Small Enterprises, for which the Group has availed the benefit of Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme to secure credit default risk.

(iii) Backed by credit guarantee of the government under the Emergency Credit Line Guarantee Scheme (ECLGS) having hundred percent guarantee cover.

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

Note 10
Investments

(Rs.in lakhs)

	As at March 31, 2022					As at March 31, 2021				
		At fair value					At fair value			
	Amortised cost	Through other comprehensive income	Through profit or loss	Sub total	Total	Amortised cost	Through other comprehensive income	Through profit or loss	Sub total	Total
	(1)	(2)	(3)	(5=2+3+4)	(6=1+5)	(7)	(8)	(9)	(10=8+9	(12=7+10)
i. Mutual funds	-	-	-	-	-	-	-	844,25.05	844,25.05	844,25.05
ii Government Securities	1228,21.49			-	1228,21.49					
iii Debt securities	8,35.00		51,50.00	51,50.00	59,85.00	8,35.00		59,48.11	59,48.11	67,83.11
iii Equity instruments*	-	133,70.40	175,11.24	308,81.64	308,81.64	-	112,53.31	119,22.57	231,75.88	231,75.88
iv Preference Shares	1,90.00	-	-	-	1,90.00	1,90.00	-	-	-	1,90.00
v Trust Securities	-	-	5,39.62	5,39.62	5,39.62	-	-	8,66.95	8,66.95	8,66.95
Total (A) - Gross	**1238,46.49**	**133,70.40**	**232,00.86**	**365,71.26**	**1604,17.75**	**10,25.00**	**112,53.31**	**1031,62.68**	**1144,15.99**	**1154,40.99**
i. Investments outside India					-					-
ii. Investments in India					1604,17.75					1154,40.99
Total (B)	**-**	**-**	**-**	**-**	**1604,17.75**	**-**	**-**	**-**	**-**	**1154,40.99**
Less: Allowance for impairment loss **(C)**	(8,35.00)	-	-	-	(8,35.00)	(8,35.00)	-	-	-	(8,35.00)
Total (D) = (A + C)	**1230,11.49**	**133,70.40**	**232,00.86**	**365,71.26**	**1595,82.75**	**1,90.00**	**112,53.31**	**1031,62.68**	**1144,15.99**	**1146,05.99**

* Includes amount of Rs. 20,50.00 lakhs (March 31, 2021 Rs. 20,50.00 lakhs) pertaining to certain unquoted equity instruments for which cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

Annexure to Note 10

Face Value per unit (in Rs)	Description	Quantity (in nos.) as at March 31, 2022	As at March 31, 2022	Quantity (in nos.) as at March 31, 2021	As at March 31, 2021
	Investments measured at fair value other comprehensive income				
	Investment in equity shares				
	(i) Quoted				
10	Tata Steel Limited	609,511	79,67.53	609,511	49,48.31
10	Tata Chemicals Limited	10,060	98.02	10,060	75.63
1	Tata Power Limited	9,120	21.76	9,120	9.42
1	Tata Consumer Products Limited (pursuant to Scheme of Arrangement wherein 100 shares held in Tata Chemicals Limited are allotted 114 shares of face value of Rs. 1 in TCPL)	11,468	89.15	11,468	73.27
10	NTPC Limited	156,000	2,10.60	156,000	1,66.22
1	NMDC Limited	20,000	32.51	20,000	27.07
10	Coal India Limited	11,904	21.79	11,904	15.52
	(ii) Unquoted - Group Companies				
10	Taj Air Limited	4,200,000	-	4,200,000	-
1,000	Tata International Limited	19,350	28,79.04	19,350	38,87.87
100	Tata Industries Limited	993,753	20,50.00	993,753	20,50.00
	Subtotal (a)		**133,70.40**		**112,53.31**
	Investments measured at fair value through profit and loss				
	Investment in equity shares				
	(i) Quoted				
10	Automobile Corporation of Goa Limited	48,315	4,51.29	48,315	1,96.59
	(ii) Unquoted				
10	Tata Technologies Limited	811,992	170,59.95	811,992	117,25.98
10	Tata Hitachi Construction Machinery Company Private Limited	285,714	-	285,714	-
			175,11.24		**119,22.57**
	Investment in compulsory convertible debentures (unquoted)		51,50.00		59,48.11
			51,50.00		**59,48.11**
	Investment in trust securities (partly paid)				
10	SBI Macquarie Infrastructure Trust	15,000,000	5,39.62	15,000,000	8,66.95
			5,39.62		**8,66.95**
	Investment in mutual funds (Quoted)	-	-	-	844,25.05
			-		**844,25.05**
	Subtotal (b)		**232,00.86**		**1031,62.68**
	Investments measured at Amortised cost				
	Investment in Preference shares				
	(i) Fully Paid Non - Cumulative Redeemable Preference shares (Unquoted)				
100	6% Tata Precision Industries (India) Limited	40,000	40.00	40,000	40.00
	(ii) Fully Paid Cumulative Redeemable Preference shares (Unquoted)				
100	8.50% Tata Precision Industries (India) Limited	150,000	1,50.00	150,000	1,50.00
			1,90.00		**1,90.00**
	Investments in Debentures and Bonds				
	(i) Fully Paid Secured, Non - Cumulative, Non - Convertible, Redeemable Debentures				
12.50	8.49% NTPC Limited (issued as bonus)	275,752	-	275,752	-
			-		-
	(ii) Investment in government securities (Quoted)				
	T-bills		685,61.74		-
	G-sec bond		542,59.75		-
			122,821.49		
	(iii) Fully paid unsecured optionally convertible zero coupon debentures				
100	Loginomic Tech Solutions Private Limited ("TruckEasy")	835,000	8,35.00	835,000	8,35.00
	Less: Allowance for impairment loss (refer note 3)		(8,35.00)		(8,35.00)
			-		-
	Subtotal (c)		**1230,11.49**		**1,90.00**
	Total (a + b + c)		**1595,82.75**		**1146,05.99**

Note 11
Other financial assets

(Rs.in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits (Net of provision of Rs.30.00 lakhs; March 31, 2021 Rs 43.11 lakhs)	92,54.35	233,54.18
Interest accrued on investments and deposits	31,80.15	33,78.68
Application money receivable towards securities	28,56.69	129,60.04
Others (Net of provision of Rs. 2507.03 lakhs; March 31, 2021 Rs 12,98.57 lakhs)	635,47.71	143,12.06
Total	**788,38.90**	**540,04.96**

Note 12
Income taxes
a) Income tax expense recognised in statement of profit and loss

(Rs. in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Income tax expense		
Current tax		
Current tax on profits for the year	66,16.63	6,83.91
MAT credit (recognised)/written off for the year	-	-
Adjustments for current tax of prior years	-	(113.84)
Total current tax expense	**66,16.63**	**5,70.07**
Deferred tax		
Decrease (increase) in deferred tax assets	(122,13.32)	(41,23.78)
(Decrease) increase in deferred tax liabilities	1,06.47	32,35.64
Total deferred tax expense/(benefit)	**(121,06.85)**	**(8,88.14)**
Income Tax expense	**(54,90.22)**	**(3,18.07)**

b) Reconciliation of the income tax expenses and accounting profit
Reconciliation of the income tax expense and the accounting profit multiplied by India's tax rate:

(Rs. in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit/(Loss) before taxes	101,48.79	266,00.57
Income tax expense at statutory tax rates applicable to individual respective entities	**49,20.23**	**61,68.71**
Tax effect of the amount which are not taxable in calculating taxable income :		
- Effect of expenses not deductible for tax computation	3,57.58	22,43.38
- Utilisation/credit of unrecognised tax losses, unabsorbed depreciation and other tax benefits	(22,34.84)	(338,63.33)
- Dividend from subsidiaries, joint operations, equity accounted investees and available-for-sale investments		5,38.72
- Impact of change in statutory tax rates		90,28.69
- Deferred tax assets not recognised because realization is not probable (incl. reversal of MAT credit)	(5,62.44)	126,54.54
- Adjustments recognised in relation to the current tax of prior years		(113.41)
- Deferred tax liability on undistributable earnings of subsidiaries	(31,58.93)	23,82.05
- Others	(48,11.82)	6,42.58
Income tax expense/(credit) recognised for the year at effective tax rate	**(54,90.22)**	**(3,18.07)**

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c) Deferred tax assets/liabilities (net)

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

(Rs. in lakhs)

Particulars	As at April 01, 2021	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2022
Deferred tax liabilities :				
- Property, plant & equipment & Intangible assets- Accumulated depreciation/Amortisation	-			-
- Fair Valuation of financial assets measured at FVTOCI and FVTPL	94,91.64	13,35.22	55,20.04	163,46.90
- Income to be taxed on actual receipt basis	31,67.77	2947.19	-	61,14.96
- Sourcing commission claimed on incurrence basis	36,90.97	43.79	-	37,34.76
- Undistributable earnings in subsidiaries	31,58.93	(31,58.93)	-	-
Total deferred tax liabilities	**195,09.31**	**11,67.27**	**55,20.04**	**261,96.62**
Particulars	**As at April 01, 2021**	**Charged/ (credited) to profit and loss**	**Charged/ (credited) to OCI**	**As at March 31, 2022**
Deferred tax asset :				
- Property, plant & equipment & Intangible assets- Accumulated depreciation/Amortisation	(9,46.82)	13,38.68		3,91.86
Provisions for impairment allowances on financial assets	328,56.82	127,37.12		455,93.94
Compensated absences and retirement benefits allowable on payment basis	5,11.81	4.94		5,16.75
- Others	826.36	(8,06.62)		19.74
Total deferred tax assets	**332,48.17**	**132,74.12**	**-**	**465,22.29**
Net deferred tax asset/(liabilities)	**137,38.86**	**121,06.85**	**(55,20.04)**	**203,25.67**

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

(Rs. in lakhs)

Particulars	As at April 01, 2020	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2021
Deferred tax liabilities :				
- Property, plant & equipment & Intangible assets- Accumulated depreciation/Amortisation	-	9,46.82	-	9,46.82
- Income to be taxed on actual receipt basis	-	-	-	-
- Fair Valuation of financial assets measured at FVTOCI and FVTPL	41,42.38	14,73.71	38,75.54	94,91.63
- Income to be taxed on actual receipt basis	31,03.98	63.79	-	31,67.77
- Sourcing commission claimed on incurrence basis	53,21.70	(16,30.73)	-	36,90.97
- Undistributable earnings in subsidiaries	776.88	23,82.05	-	31,58.93
Total deferred tax liabilities	**13344.94**	**32,35.64**	**38,75.54**	**204,56.12**
Deferred tax asset :				
- Unabsorbed and unused tax losses and depreciation carry forwards	66,00.00	(66,00.00)	-	-
- Expenses deductible in future years:				
- Provisions for impairment allowances on financial assets	163,84.44	164,72.38	-	328,56.82
- Compensated absences and retirement benefits allowable on payment basis	535.40	(23.59)	-	5,11.81
- Others	97.60	7,28.76	-	8,26.36
Total deferred tax assets	**236,17.44**	**105,77.55**	**-**	**341,94.99**
Net deferred tax asset/(liabilities)	**102,72.50**	**73,41.91**	**(38,75.54)**	**137,38.87**
- Minimum alternate tax (MAT) entitlement	64,53.77	(64,53.77)	-	-
Deferred tax assets/(liabilities) (net)	**167,26.27**	**8,88.14**	**(38,75.54)**	**137,38.86**

d) Amounts recognised directly in equity

An amount of Rs. 52.57 lacs have arisen in the reporting period (Previous year - nil) which has been directly adjusted from reserves.

e) Tax losses

As at March 31, 2022, unrecognized deferred tax assets amount to Rs. 93,73.26 lakhs and Rs. 141,55.67 lakhs which can be carried forward indefinitely and up to a specified period, respectively. These relate primarily to business losses, depreciation carry forwards and other deductible temporary differences. The deferred tax asset has not been recognized 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:

March 31,	Rs. In lakhs
2025	43,63.45
2026	17,94.18
2027	14,22.60
2028	8,17.80
2029	34,15.65
2030	23,41.99
Total	**141,55.67**

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)

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

Note 13

Property, plant and equipment **(Rs.in lakhs)**

Particulars	Gross Block				Accumulated Depreciation				Net Block
	Balance as at April 1, 2021	Additions	Deletions	Balance as at March 31, 2022	Balance as at April 1, 2021	Depreciation for the year	Deletions	Balance as at March 31, 2022	Balance as at March 31, 2022
Building (Refer Notes below)	41,36.68	-	17,34.31	24,02.37	6,37.68	54.53	2,24.87	4,67.34	19,35.03
Building - given on lease	-			-	-			-	-
Right of Use Assets	59,44.20	36,31.11	7,45.57	88,29.74	15,81.64	12,47.73	6,17.16	22,12.21	66,17.53
Furniture and fixtures	48,31.55	32.98	8,13.24	40,51.29	43,41.85	1,24.69	7,67.52	36,99.02	3,52.27
Vehicles	6,79.69	2,07.32	1,44.31	7,42.70	3,24.35	1,55.42	1,29.39	3,50.38	3,92.32
Vehicles - given on lease	239,54.72	13,84.47	42,44.50	210,94.69	64,55.85	37,43.59	17,47.99	84,51.45	126,43.24
Plant and equipments - given on lease	-			-	-			-	-
Office equipments	22,95.50	82.44	48.46	2,329.48	1,893.09	1,45.28	45.93	19,92.44	3,37.04
Data processing machines	13,51.28	1,93.79	5.87	1,539.20	854.53	2,05.79	5.51	10,54.81	4,84.39
Leasehold improvements	2,09.80	87.81	-	297.61	16.40	47.81	-	64.21	2,33.40
Total	**434,03.42**	**56,19.92**	**77,36.26**	**412,87.08**	**161,05.39**	**57,24.84**	**35,38.37**	**182,91.86**	**229,95.22**

Note 1 : Building includes nominal value of investment in Sim Tools Private Limited

Note 2 : Building includes Rs. 1,000/- being value of investment in 20 shares of Rs. 50/- each in Nilgiri Upvan Co-operative Housing Society Limited.

Particulars	Gross Block				Accumulated Depreciation				Net Block
	Balance as at April 1, 2020	Additions	Deletions	Balance as at March 31, 2021	Balance as at April 1, 2020	Depreciation for the year	Deletions	Balance as at March 31, 2021	Balance as at March 31, 2021
Building (Refer Notes below)	41,36.68	0.00	-	41,36.68	5,69.41	68.28	0.00	6,37.69	34,98.99
Right of Use Assets	63,94.17	19,03.07	23,53.04	59,44.20	14,66.77	1296.20	11,81.34	15,81.63	43,62.56
Furniture and fixtures	50,02.04	12.57	1,83.06	48,31.55	43,28.30	1,65.88	1,52.33	43,41.85	4,89.70
Vehicles	6,85.19	2,05.49	2,10.99	6,79.69	3,43.54	1,61.41	1,80.60	3,24.35	3,55.34
Vehicles - given on lease	174,78.68	69,09.39	4,33.35	239,54.72	29,63.81	37,52.33	2,60.30	64,55.85	174,98.87
Office equipments	23,29.61	67.35	1,01.46	22,95.50	17,49.88	2,27.04	83.82	18,93.10	4,02.40
Data processing machines	9,59.08	3,92.20	-	13,51.28	6,28.29	2,26.24	-	8,54.53	4,96.75
Leasehold improvements	-	2,62.19	52.39	2,09.80	-	25.60	9.20	16.40	1,93.40
Total	**369,85.45**	**97,52.26**	**33,34.29**	**434,03.42**	**120,50.00**	**59,22.98**	**18,67.59**	**161,05.40**	**272,98.02**

Note 1 : Building includes nominal value of investment in Sim Tools Private Limited

Note 2 : Building includes Rs. 1,000/- being value of investment in 20 shares of Rs. 50/- each in Nilgiri Upvan Co-operative Housing Society Limited.

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

Note 14A
Goodwill

(Rs.in lakhs)

Particulars	Balance as at April 1, 2021	Impairment charge/(reversal)	Balance as at March 31, 2022
Goodwill	205,18.53	-	205,18.53

Particulars	Balance as at April 1, 2020	Impairment charge/(reversal)	Balance as at March 31, 2021
Goodwill	205,18.53	-	205,18.53

As at March 31, 2022, goodwill of Rs. 205,18.53 lakhs has been allocated to the busines acquisition made of Sheba Properties Limited (now known as Tata Motors Finance Limited) which is the Cash Generating Unit (referred to as "CGU"). The recoverable amount of the cash generating unit has been determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions.

As at March 31, 2022, the estimated cash flows for a period of 5 years were developed using internal forecasts, and discount rate of 13.37% which is cost of equity derived based on Capital Asset Pricing Model (CAPM). The cash flows beyond 5 years have been extrapolated assuming 6% growth rates. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

Note 14B
Intangible Assets

(Rs.in lakhs)

	Gross Block				Accumulated Amortisation				Net Block
Particulars	Balance as at April 1, 2021	Additions	Deletions	Balance as at March 31, 2022	Balance as at April 1, 2021	Amortisation during the year	Deletions	Balance as at March 31, 2022	Balance as at March 31, 2022
Computer Software	28,60.69	68.75		29,29.44	23,24.05	2,64.85	-	25,88.90	3,40.54

	Gross Block				Accumulated Amortisation				Net Block
Particulars	Balance as at April 1, 2020	Additions	Deletions	Balance as at March 31, 2021	Balance as at April 1, 2020	Amortisation during the year	Deletions	Balance as at March 31, 2021	Balance as at March 31, 2021
Computer Software	25,21.65	339.05	-	28,60.69	20,92.01	2,32.04	-	23,24.05	5,36.63

Note 15
Other non-financial assets

(Rs.in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Advances	10,90.30	9,84.30
Deposits with statutory authorities (including under protest)	11,96.07	11,84.28
Prepaid expenses	34,84.19	22,96.04
Taxes recoverable, statutory deposits and dues from government (Net of provision of Rs 3,03.69 lakhs; March 31, 2021 Rs 3,03.69 lakhs)	74,32.22	81,14.15
Others (Net of provision of Rs 1,43.73 lakhs; March 31, 2021 Rs 1,40.43 lakhs)	19,47.12	36,82.88
Total	**151,49.90**	**162,61.65**

Note 16
Derivative financial instruments as at March 31, 2022

(Rs.in lakhs)

Particulars	Notional Amounts	Fair Value Assets	Notional Amounts	Fair Value Liabilities
Currency derivatives				
Forward exchange contracts	-	-	17,963.75	1,979.51
Currency Swaps				
Subtotal		**-**		**19,79.51**
Interest rate derivatives				
Interest Rate Swaps	17,963.75	306.97		-
Subtotal		**306.97**		**-**
Other derivatives				
Cross currency interest rate swaps	160,610.75	84,57.16		-
Subtotal		**84,57.16**		**-**
Total Derivative Financial Instruments		**87,64.13**		**19,79.51**
Derivative designated as hedge				
Cash flow hedging:				
Forward exchange contracts			17,963.75	1,979.51
Cross currency interest rate swaps	160,610.75	84,57.16		
Interest rate swaps	17,963.75	3,06.97		
Subtotal		**87,64.13**		**19,79.51**
Undesignated Derivatives				
Interest Rate Swaps		-		**-**
Subtotal		**-**		**-**
Total Derivative Financial Instruments		**87,64.13**		**19,79.51**

Refer Note 43 on Financial Risk Manangement for maturity analysis of Derivative financial liabilities at March 31, 2022

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)

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

Derivative financial instruments as at March 31, 2021

Particulars	Notional Amounts	Fair Value Assets	Notional Amounts	Fair Value Liabilities
Currency derivatives				
Forward exchange contracts	35,106.25	1,131.83	79,963.75	2,470.33
Currency Swaps	-	-	-	-
Subtotal		**1,131.83**		**2,470.33**
Interest rate derivatives				
Interest Rate Swaps	17,142.50	12.41	17,963.75	758.75
Subtotal		**12.41**		**758.75**
Other derivatives				
Cross currency interest rate swaps	99,490.50	14,91.69	61,120.25	16,97.55
Subtotal		**14,91.69**		**1,697.55**
Total Derivative Financial Instruments		**26,35.93**		**49,26.63**
Derivative designated as hedge				
Cash flow hedging:				
Forward exchange contracts	35,106.25	11,31.84	79,963.75	2,470.33
Cross currency interest rate swaps	99,490.50	14,91.68	61,120.25	16,97.55
Interest rate swaps	-	-	17,963.75	7,58.75
Subtotal		**26,23.52**	**-**	**4,926.63**
Undesignated Derivatives				
Interest Rate Swaps	17,142.50	12.41		
Subtotal		**12.41**		**-**
Total Derivative Financial Instruments		**26,35.93**		**49,26.63**

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2022

Note 17
Payables

(Rs.in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Payables		
total outstanding dues of micro enterprises and small enterprises	10,01.23	-
total outstanding dues of creditors other than micro enterprises and small enterprises	238,39.46	298,48.90
Sub-total	**248,40.69**	**298,48.90**
Other Payables		
total outstanding dues of micro enterprises and small enterprises	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	55,28.14	60,21.33
Sub-total	**55,28.14**	**60,21.33**
Total	**303,68.83**	**358,70.23**

Note: Information in respect of micro enterprises and small enterprises to whom the Company owes dues (including interest), which are due during the year or outstanding as at the balance sheet date and disclosed above as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

Payables

Trade Payables aging schedule (₹ in lakhs)

As at March 31, 2022							
Particulars	**Not due**	**Unbilled**	**Less than 1 Year**	**1-2 Years**	**2-3 Years**	**More than 3 Years**	**Total**
(i) MSME	-	763.46	237.77	-	-	-	1,001.23
(ii) Others	3,136.55	10,882.95	6,990.75	2,064.08	264.17	500.96	23,839.46
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**3,136.55**	**11,646.40**	**7,228.52**	**2,064.08**	**264.17**	**500.96**	**24,840.69**

Trade Payables aging schedule (₹ in lakhs)

As at March 31, 2022							
Particulars	**Not due**	**Unbilled**	**Less than 1 Year**	**1-2 Years**	**2-3 Years**	**More than 3 Years**	**Total**
(i) MSME	-	-	-	-	-	-	-
(ii) Others	15,657.21	11,373.50	2,415.42	120.08	74.85	207.84	29,848.90
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**15,657.21**	**11,373.50**	**2,415.42**	**120.08**	**74.85**	**207.84**	**29,848.90**

Note 18
Debt securities (at amortised cost)

(Rs.in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i. Privately placed non-convertible debentures		
- Secured #	1774,66.97	2453,44.90
- Unsecured	5641,37.41	2765,34.29
ii Commercial Paper (unsecured)	4962,15.68	7559,06.33
Total (A)	**12378,20.06**	**12777,85.52**
i. Debt securities in India	12378,20.06	12777,85.52
ii. Debt securities outside India	-	-
Total (B)	**12378,20.06**	**12777,85.52**

 # Nature of security for secured borrowings outstanding

Nature and extent of Security created and maintained for secured non-convertible debentures (privately placed) listed on WDM segment of NSE as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

1(A) Nature

Privately placed non-convertible secured debentures are fully secured by first pari passu charge by way of registered mortgage on:

i) One of the Group's residential flat and

ii) a) All receivables of the Group arising out of loan and lease transactions

b) All other book debts, trade advances forming part of movable assets of the Group

c) Any other security as identified by the Group and acceptable to the debenture trustee

1(B) Extent

The minimum security of 100 % for the Non convertible debentures outstanding has been maintained.

Details of Non Cumulative Debentures (Secured)

From Balance sheet Date	As at March 31, 2022		As at March 31, 2021	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Issued on private placement basis				
Repayable on Maturity:				
Maturing within 1 Year	8.50% to 8.75%	1000,00.00	7.00% to 9.85%	689,92.52
Maturing between 1 year to 3 Years	6.75% to 8.65%	780,00.00	6.75% to 8.75%	1780,00.00
Total Face Value		**1780,00.00**		**2469,92.52**
Less: Unamortised borrowing cost		5,33.03		16,47.62
Total Amortised cost		**1774,66.97**		**2453,44.90**

Details of Non Cumulative Debentures (Unsecured)

From Balance sheet Date	As at March 31, 2022		As at March 31, 2021	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Issued on private placement basis				
Repayable on Maturity:				
Maturing within 1 Year	7.00% to 11.00%	1410,30.10	9.45% to 11.00%	1396,52.50
Maturing between 1 year to 3 Years	6.30% to 7.97%	4115,02.50	7.85% to 11.00%	1610,30.10
Maturing between 3 year to 5 Years	7.69%	389,32.14		-
Total Face Value		**5914,64.74**		**3006,82.60**
Less: Unamortised borrowing cost		273,27.33		241,48.31
Total Amortised cost		**5641,37.41**		**2765,34.29**

Note 19
Borrowings (Other than debt securities) (at amortised cost)

(Rs.in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Term loans		
i. from banks in INR (secured) (refer note (i) below)	16561,79.60	16565,64.74
ii. from banks in INR (unsecured)	3208,92.24	499,98.95
(b) Liability component of compound financial instruments	12,76.54	24,54.80
(c) Compulsory convertible preference shares (refer note (v) below)	2,46.67	329,42.21
(d) Loans repayable on demand		
i. from banks in INR (secured) (refer note (ii) below)	3730,00.00	4161,02.58
ii. from banks in INR (unsecured)	374,90.00	674,90.00
(e) Cash Credit from banks (secured) (refer note (ii) below)	1,35.21	597,45.19
(f) Collateralised Debt Obligation (secured) (refer note (iii) below)	1182,08.72	2972,52.47
(g) Inter Corporate Deposits from related parties (unsecured)	150,00.00	
Total (A)	**25224,28.98**	**25825,50.94**
i. Borrowings in India	23292,97.25	23894,19.20
ii. Borrowings outside India	1931,31.74	1931,31.74
Total (B)	**25224,28.98**	**25825,50.94**

Note (i)
Nature of Security for secured term loans from banks:
Secured term loans from banks are secured by a pari-passu charge in favour of the security trustee on:
a) All receivables of the Group arising out of loan, lease transactions and trade advances.
b) All other book debts.
c) Receivables from pass through certificates in which Group has invested.
d) Such other current assets as may be identified by the Group from time to time and accepted by the security trustee.

Note (ii)
Nature of Security for cash credit and loans repayable on demand:
Cash credit is secured by a pari-passu charge in favour of the security trustee on:
a) All receivables of the Group arising out of loan, lease and trade advances;
b) All other book debts;
c) Receivables from pass through certificates in which Group has invested; and
d) Such other current assets as may be identified by the Group from time to time and accepted by the security trustee.

Note (iii)
Collateralised debt obligation represent amount received against loans securitised, which does not qualify for derecognition.

Note (iv)
The borrowings have not been guaranteed by directors or others. Also the Group has not defaulted in repayment of principal and interest.

Details of Term Loans from banks (Secured) (Rs.in lakhs)

From Balance sheet Date	As at March 31, 2022		As at March 31, 2021	
	Interest Rate Range	Amount	Interest Rate Range	Amount
1. Repayable on Maturity:				
Maturing within 1 Year		-	6.21% to 9.05%	1739,45.50
Maturing between 1 year to 3 Years	6.00% to 7.75%	2130,00.00	7.35% to 8.45%	2255,00.00
Maturing between 3 Years to 5 Years	6.65% to 7.30%	550,00.00		-
Total repayable on maturiy (A)		**2680,00.00**		**3994,45.50**
2. Repayable in Installments:				
i. on quarterly basis				
Maturing within 1 Year	7.10% to 8.10%	1396,07.10	6.90% to 8.95%	2040,06.72
Maturing between 1 year to 3 Years	6.95% to 8.20%	5630,63.90	6.90% to 8.95%	3575,94.69
Maturing between 3 Years to 5 Years	6.95% to 8.20%	2113,21.69	6.90% to 8.20%	1304,82.19
Subtotal (B)		**9139,92.69**		**6920,83.61**
ii. on half yearly basis				
Maturing within 1 Year	7.45% to 8.40%	292,50.00	7.40% to 8.70%	949,22.62
Maturing between 1 year to 3 Years	7.25% to 8.40%	1056,87.50	7.45% to 8.70%	2008,15.48
Maturing between 3 Years to 5 Years	7.25% to 7.80%	950,65.48	7.60% to 8.35%	241,87.50
Subtotal (C)		**2300,02.98**		**3199,25.60**
iii. on yearly basis				
Maturing within 1 Year	8.20%	66,66.67	7.95% to 8.40%	275,00.00
Maturing between 1 year to 3 Years	6.50% to 8.20%	400,00.00	7.95% to 8.40%	266,66.67
Subtotal (D)		**466,66.67**		**541,66.67**
Total repayable on installments (E = B+C+D)		**11906,62.34**		**10661,75.88**
Total term loans as per contractual terms (F = A+E)		**14586,62.34**		**14656,21.38**
Less: Unamortised borrowing costs	-	23,47.02	-	21,86.16
Total Amortised cost		**14563,15.32**		**14634,35.22**

Details of External Commercial Borrowings (USD) (Rs.in lakhs)

From Balance sheet Date	As at March 31, 2022		As at March 31, 2021	
	Interest Rate Range	Amount	Interest Rate Range	Amount
1. Repayable on Maturity:				
Maturing between 1 year to 3 Years	7.70% to 9.03%	868,00.25	7.90% to 8.88%	1210,01.50
Maturing between 3 Years to 5 Years	8.11% to 8.88%	1136,26.95	8.96% to 9.03%	731,46.75
Total repayable on maturiy		**2004,27.20**		**1941,48.25**
Less: Unamortised borrowing costs		5,62.92		10,16.52
Net		**1998,64.28**		**1931,31.73**

Details of Collateralised Debt Obligation (Rs.in lakhs)

From Balance sheet Date	As at March 31, 2022		As at March 31, 2021	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Maturing within 1 Year	6.40% to 9.20%	850,21.02	7.70% to 9.20%	1713,14.99
Maturing between 1 year to 3 Years	6.40% to 9.20%	332,33.40	7.70% to 9.20%	1244,95.18
Maturing between 3 Years to 5 Years		-	8.40% to 8.60%	15,92.20
Total		**1182,54.42**		**2974,02.37**
Less: Unamortised borrowing costs		45.70		1,49.90
Net		**1182,08.72**		**2972,52.47**

Details of Term Loans from banks (Unsecured) (Rs.in lakhs)

From Balance sheet Date	As at March 31, 2022		As at March 31, 2021	
	Interest Rate Range	Amount	Interest Rate Range	Amount
1. Repayable on Maturity:				
Maturing within 1 Year	7.55%	130,00.00	7.35%	100,00.00
Maturing between 1 year to 3 Years	7.30%	370,00.00		
Total repayable on maturiy (A)		**500,00.00**		**100,00.00**
2. Repayable in Installments:				
i. on quarterly basis				
Maturing within 1 Year	7.50% to 7.65%	42,00.00	7.85% to 8.80%	400,00.00
Maturing between 1 year to 3 Years	7.45% to 7.65%	293,00.00		-
Maturing between 1 year to 3 Years	7.45%	125,00.00		-
Subtotal (B)		**460,00.00**		**400,00.00**
ii. on half yearly basis				
Maturing within 1 Year	7.65% to 7.65%	166,66.67	7.85% to 8.80%	400,00.00
Maturing between 1 year to 3 Years	7.65% to 7.65%	333,33.33		-
Subtotal (C)		**500,00.00**		**400,00.00**
iii. on yearly basis				
Maturing within 1 Year	7.12% to 7.12%	250,00.00		-
Maturing between 1 year to 3 Years	6.25% to 7.12%	1500,00.00		-
Subtotal (D)		**1750,00.00**		**-**
Total repayable on installments (E = B+C+D)		**2710,00.00**		**400,00.00**
Total term loans as per contractual terms (G = A+F)		**3210,00.00**		**500,00.00**
Less: Unamortised borrowing costs		1,07.76		1.05
Total Amortised cost		**3208,92.24**	-	**499,98.95**

Details of Loans repayable on demand from banks (Secured) (Rs.in lakhs)

From Balance sheet Date	As at March 31, 2022		As at March 31, 2021	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Maturing within 1 Year	4.50% to 7.15%	373000.00	6.20% to 8.25%	4161,02.58
Total		**3730,00.00**		**4161,02.58**
Less: Unamortised borrowing costs		-		-
Net		**3730,00.00**		**4161,02.58**

Details of Loans repayable on demand from banks (Unsecured) (Rs.in lakhs)

From Balance sheet Date	As at March 31, 2022		As at March 31, 2021	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Maturing within 1 Year	6.25% to 6.85%	37490.00	5.00% to 7.30%	674,90.00
Total		**374,90.00**		**67,490.00**
Less: Unamortised borrowing costs		-		-
Net		**374,90.00**		**67,490.00**

Details of Cash credit facilities (Secured) **(Rs.in lakhs)**

From Balance sheet Date	As at March 31, 2022		As at March 31, 2021	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Maturing within 1 Year	7.95% to 7.95%	1,35.21	8.50% to 9.35%	597,45.19
Total		**1,35.21**		**597,45.19**
Less: Unamortised borrowing costs		-		-
Net		**1,35.21**		**597,45.19**

Note 20
Subordinated Liabilities (at amortised cost)

(Rs.in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Perpetual Debt Instruments to the extent that do not qualify as equity (unsecured)	224,35.50	224,21.08
(b) Privately placed subordinated unsecured redeemable, non-convertible debentures	677,82.77	784,63.42
Total (A)	**902,18.27**	**1008,84.50**
i. Debt securities in India	902,18.27	1008,84.50
ii. Debt securities outside India	-	-
Total (B)	**902,18.27**	**1008,84.50**

Details of Subordinated liabilities in the nature of Tier II unsecured redeeemable non-convertible debentures

From Balance sheet Date	As at March 31, 2022		As at March 31, 2021	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Issued on private placement basis				
Repayable on Maturity:				
Maturing within 1 Year	8.35% to 10.25%	200,00.00	11.00%	154,45.00
Maturing between 1 year to 3 Years	-	-	9.85% to 11.00%	245,50.00
Maturing between 3 Years to 5 Years	9.70% to 10.60%	390,10.00	9.70% to 10.60%	235,00.00
Maturing beyond 5 Years	10.46% to 11.00%	90,40.00	8.35% to 10.00%	153,00.00
Total Face Value		**680,50.00**		**787,95.00**
Less: Unamortised borrowing cost		2,67.23		3,31.58
Total Amortised cost		**677,82.77**		**784,63.42**

Particulars	(Rs. in Lakhs)	Face Value (Rs.)
11.50% TMFL Perpetual "A" FY 2012-13	26,90.00	5 Lakhs
11.25% TMFL Perpetual "B" FY 2012-13	73,10.00	5 Lakhs
11.03% TMFL Perpetual "A" FY 2013-14	52,70.00	10 Lakhs
11.33% TMFL Perpetual "B" FY 2013-14	22,30.00	10 Lakhs
11.10% TMFL Perpetual "A" FY 2014-15	50,30.00	10 Lakhs
	225,30.00	
Less : Unamortised Borrowing Cost	94.50	
	224,35.50	

*Redemption period is not applicable as the NCDs are perpetual. The Group has a call option which can be exercised, after the prior approval of the Reserve Bank of India, at the expiry of 10 years from the date of allotment and at the end of every month thereafter. In case of non-exercise of the option at the expiry of 10 years from the date of allotment, coupon rate will be increased by 50 bps.

Note 21
Other financials liabilities

(Rs.in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued on borrowings	293,07.34	280,93.11
Lease liability for right of use assets	72,09.09	47,31.60
Others	741,10.72	413,28.02
Total	**1106,27.15**	**741,52.73**

Note 22
Provisions

(Rs.in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits	16,04.34	16,22.02
Provision for Indirect taxes	66,26.52	66,26.52
Provision for consumer disputes	72.54	1,05.08
Provision for expenses	18,64.46	-
Total	**101,67.86**	**83,53.62**

Movement of provisions during the year as required by Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Asset"

(a) Provision for Indirect taxes (Rs.in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	66,26.52	66,26.52
Add : Provision during the year	-	-
Less : Utilisation/reversal during the year	-	-
Closing Balance	66,26.52	66,26.52

(b) Provision for consumer disputes (Rs.in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	1,05.08	152.79
Add : Provision during the year	256.50	44.45
Less : Utilisation/reversal during the year	289.04	92.16
Closing Balance	72.54	105.08

Note 23
Other non-financial liabilities

(Rs.in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Dues	50,77.67	46,18.08
Others	34,02.69	48,39.72
Total	**84,80.36**	**94,57.80**

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2022

Note 24A
Equity Share Capital

(Rs.in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Rs.	No. of shares	Rs.
Authorised				
Equity Shares of Rs.10 each with voting rights	2,500,000,000	2500,00.00	2,500,000,000	2500,00.00
		2500,00.00		**2500,00.00**
Issued, Subscribed and Fully Paid up				
Equity shares of Rs. 10 each	1,648,283,442	1648,28.34	1,648,283,442	1648,28.34
Total		**1648,28.34**		**1648,28.34**

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

(Rs.in lakhs)

Equity Shares	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Rs.	No. of shares	Rs.
Shares outstanding at the beginning of the year	1,648,283,442	1648,28.34	1,648,283,442	1648,28.34
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	**1,648,283,442**	**164,828.34**	**1,648,283,442**	**164,828.34**

b) Details of shares held by holding company and its subsidiaries: (Rs.in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of Issued Share Capital	No. of shares	% of Issued Share Capital
Equity shares with voting rights				
Tata Motors Limited	1,648,283,442	100.00	1,648,283,442	100.00

c) Details of shares held by each shareholder holding more than 5 percent of the issued share capital: (Rs.in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of Issued Share Capital	No. of shares	% of Issued Share Capital
Equity Share with voting rights				
Tata Motors Limited	1,648,283,442	100.00	1,648,283,442	100.00

d) Terms / rights attached to equity shares:
The Company has 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.

e) Information regarding issue of shares in the last five years
i. The Company has not issued any shares without payment being received in cash.
ii. The Company has not issued any bonus shares.
iii. The Company has not undertaken any buy-back of shares.

f) Dividends not recognised at the end of the reporting year
No dividend has been declared during the year (March 31, 2021 – Nil).

Note 24B
Equity Component of Compound Financial Instrument

(Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Rs.	No. of shares	Rs.
Authorised				
Preference shares of Rs.100 each	75,000,000	750,00.00	75,000,000	750,00.00
		750,00.00		**750,00.00**
Issued, Subscribed and Fully Paid up				
Equity portion of cumulative, non-participating Compulsorily convertible preference share (CCPS) of Rs. 100 each	43,400,000	370,72.59	43,400,000	370,72.59
Total		**370,72.59**		**370,72.59**

a) Reconciliation of the CCPS outstanding at the beginning and at the end of the reporting year

(Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Rs.	No. of shares	Rs.
Shares outstanding at the beginning of the year	43,400,000	370,72.59	43,400,000	370,72.59
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	**43,400,000**	**370,72.59**	**43,400,000**	**370,72.59**

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

(Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of holding	No. of shares	% of holding
Tata Motors Limited	43,400,000	100.00	43,400,000	100.00

c) Terms/rights attached to preference shares

The Company has cumulative, non-participating compulsorily convertible preference shares (CCPS) having a face value of Rs. 100 each. The holders of the CCPS are entitled for dividend @ 3% on a yearly basis, in preference to the equity shareholders of the Company, subject to applicable law and availability of profits of the Company, after provision for depreciation. The CCPS shall fully and mandatorily be converted into equity shares of the Company on the date falling at the expiry of 7 years from the CCPS allotment date. The conversion ratio of the CCPS shall be 2.15: 1. Fractional equity shares, if any, arising on conversion of the CCPS shall be disregarded.

Conversion dates for Compulsorily convertible preference share (CCPS) is as follows-

Particulars	Potential no. of equity shares on conversion	(Rs. in lakhs)	Conversion Date
Cumulative, non-participating Compulsorily convertible preference share (CCPS) of Rs. 100 each	27,950,000	130,00.00	02-Mar-23
Cumulative, non-participating Compulsorily convertible preference share (CCPS) of Rs. 100 each	65,360,000	304,00.00	28-Mar-23

d) Distribution:

i) The Board of Directors at its meeting held on May 2, 2022 recommended a dividend of Rs. 3.00 per share (3.00%) on Cumulative, non-participating Compulsorily convertible preference share of Rs 100 each which is subject to approval of the members at forthcoming annual general meeting.

ii) The Board of Directors at its meeting held on April 30, 2021 recommended a final dividend of Rs. 3.00 per share (3.00%) on Cumulative, non-participating CCPS of Rs 100 each, which was approved in the annual general meeting dated August 31, 2021. The dividend was paid on September 03, 2021.

Note 24C
(I) Other components of equity

(1) The movement of Equity instruments through Other Comprehensive Income (OCI) is as follows :-

(Rs. in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	**49,76.89**	**(24.70)**
Other comprehensive income for the year	97,67.45	50,01.59
Balance at the end of the year	**147,44.35**	**49,76.89**

(2) The movement of Hedging Reserve is as follows :- **(Rs. in Lakhs)**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	**(51,07.80)**	**(49,33.86)**
Gain/(loss) recognised on cash flow hedges	41,86.22	(18,23.14)
Gain/(loss) reclassified to profit or loss	-	16,49.20
Balance at the end of the year	**(9,21.58)**	**(51,07.80)**

(3) The movement of Cost of Hedging Reserve is as follows :- **(Rs. in Lakhs)**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	**90.58**	**1,68.63**
Gain/(loss) recognised on cash flow hedges - Gain/(Loss)	(5,47.62)	(24,25.69)
Gain/(loss) reclassified to profit or loss	-	23,47.64
Balance at the end of the year	**(4,57.06)**	**90.58**

(4) The movement of Debt instruments through other comprehensive income is as follows :- **(Rs. in Lakhs)**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	256,77.83	88,62.92
Gain/(loss) on fair value of Debt instruments (net of ECL and tax effects)	66,45.26	168,14.91
Balance at the end of the year	**323,23.09**	**256,77.83**

(5) Summary of Other components of equity :- **(Rs. in Lakhs)**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Equity instruments through other comprehensive income	147,44.35	49,76.89
Hedging Reserve	(9,21.58)	(51,07.80)
Cost of hedging reserve	(4,57.06)	90.58
Debt instruments through other comprehensive income	323,23.09	256,77.83
Total	**456,88.80**	**256,37.49**

Note 24C
(I) Other components of equity
(II) Notes to reserves

a) Special reserve
As per Section 45-IC of Reserve Bank of India Act, 1934 every non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared. No appropriation of any sum from the reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by the Reserve Bank of India from time to time and every such appropriation shall be reported to the Reserve Bank of India within twenty-one days from the date of such withdrawal.

b) Capital redemption reserve
The Indian Companies Act, 2013 (the "Companies Act") requires that where a company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve account and details of such transfer shall be disclosed in the balance sheet. The capital redemption reserve account may be applied by the company, in paying up unissued shares of the company to be issued to shareholders of the Company as fully paid bonus shares.

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

d) Capital Reserve
The Capital Reserve represents the compensating reversal adjustment relating to amortisation of discount on the Zero Coupon Debentures which were charged against the Securities Premium Reserve earlier which is not allowed as per the Companies Act, 2013. This separate reserve head is created based

e) General reserve
The Group has transferred a portion of net profit of the Company before declaring dividend to General Reserve pursuant to the earlier provision of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

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

g) Equity Instrument through OCI
It represents the cumulative gains/(losses) arising on the revaluation of Equity Shares measured at fair value through OCI.

h) Hedging Reserve through OCI
It represents the effective portion of the fair value of forward contracts, designated as cash flow hedge.

(i) Cost of hedge reserve
Fair value gain/(loss) attributable to cost of hedge on all financials instruments designated in cash flow hedge relationship are accumulated in cost of hedge reserve

Note 25
Interest Income

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
On Financial Assets measured at Amortised Cost		
Interest on Loans	3151,53.40	3733,31.09
Interest income from investments	10,68.26	-
Interest on deposits with Banks	84,53.63	106,28.74
Other interest Income	6.00	5.42
On Financial Assets measured at Fair Value through Other Comprehensive Income		
Interest income from loans	865,92.66	413,23.87
On Financial Assets measured at Fair Value through Profit & Loss		
Interest income from investments	8,10.06	2,72.82
Total	**4120,84.01**	**4255,61.94**

Note 26
Net gain on fair value changes

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net gain/ (loss) on financial instruments at fair value through profit or loss	157,28.74	148,09.55
Total	**157,28.74**	**148,09.55**
Fair Value changes:		
- Realised	104,06.85	96,07.62
- Unrealised	53,21.89	52,01.93
Total	**157,28.74**	**148,09.55**

Note 27
Other Income

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Support services income	121,36.88	155,62.00
Balances Written back	4,63.67	25,13.76
Net gain on derecognition of property, plant and equipment	19,93.36	17,14.69
Miscellaneous income	3,84.64	14,94.34
Total	**149,78.55**	**212,84.79**

Note 28
Finance Costs (on financial liabilities measured at amortised cost)

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on Borrowings	1720,03.35	1942,84.74
Interest on Debt Securities	718,53.10	781,10.95
Interest on Subordinated Liabilities	274,06.73	118,25.75
Interest expense on lease liability	5,07.72	4,21.61
Other Finance Charges	1,12.65	4,98.84
Total	**2718,83.55**	**2851,41.89**

Note 29
Impairment on financial instruments

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Loans (at amortised cost)		
-Allowance for loan losses	417,17.21	547,67.48
-Loans written off (net of recoveries of Rs. 8258.41 lakhs for the year ended March 31, 2022; Rs. 76,81.14 lakhs for year ended March 31, 2021)	771,98.38	364,97.82
Loans (at FVOCI)		
-Allowance for loan losses	66,83.36	54,66.81
Other assets		
-Provision for doubtful loans and advances (others)	22,07.71	6,82.59
-Other assets written off	-	9.34
Total	**1278,06.66**	**974,24.04**

Note 30
Employee Benefits Expenses

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries	276,55.23	282,47.24
Contribution to provident and other funds	18,34.80	17,68.98
Staff welfare expenses	17,23.47	10,96.87
Total	**312,13.50**	**311,13.09**

Note 31
Other expenses

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent, taxes and energy costs	8,45.45	8,00.83
Repairs and maintenance	4,19.28	3,36.27
Corporate social responsibility expense	4,72.27	1,56.41
Communication Costs	5,28.12	5,79.27
Printing and stationery	1,86.42	1,78.96
Advertisement and publicity	1,91.78	2,48.93
Director's fees, allowances and expenses	2,80.00	218.10
Auditor's fees and expenses (refer note (i))	3,40.35	1,58.90
Legal and Professional charges	56,25.91	66,12.53
Credit risk & other insurance	38,04.20	29,31.49
Incentive/commission	65,87.74	37,34.63
Cenvat credit reversals	53,54.75	42,09.49
Service Provider Fees	195,36.97	144,03.92
Net loss on derecognition of property, plant and equipment	298.10	-
Others	68,42.14	72,37.05
Total	**513,13.48**	**418,06.78**

(i) Auditors' remuneration (excluding Goods and Service Tax):

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditors - statutory audit	2,94.14	1,02.59
Tax audit	10.01	10.01
For other services	27.70	41.15
Reimbursement of out of pocket expenses	8.50	5.15
Total	**3,40.35**	**1,58.90**

Note 32
Earnings per share

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 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 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 all the dilutive potential ordinary shares into ordinary shares.
The following table sets forth, for the years indicated, the computation of earnings per share.

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Basic		
Weighted average no. of equity shares outstanding	1,741,593,442	1,741,593,442
Net profit attributable to equity share holders	(52,50.40)	269,18.64
Basic earnings per share (Rs.)	(0.30)	1.55
Diluted		
Weighted average no. of equity shares outstanding	1,741,593,442	1,741,593,442
Net profit	(52,50.40)	269,18.64
Diluted earnings per share (Rs.)	(0.30)	1.55
Face value per share (Rs.)	10	10

Note 33
Segment reporting

The Group primarily operates in one reportable segment of financing and hence there are no separate reportable operating segments to be reported as per the IndAS 108 - Segment Reporting.

Note 34
Contingent liabilities and commitments :-

1 Contingent liabilities to the extent not provided for:

A Claims against the group not acknowledged as debts:

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
In respect of income tax matters	-	2,99.94
In respect of consumer disputes	37,07.80	40,18.16
In respect of bonus under the Payment of Bonus (Amendment) Act, 2015	26.15	26.15
Total	**37,33.95**	**43,44.25**

The Group's pending litigations comprise of claims against the Group Companies primarily by the customers and proceedings pending with Income Tax and other authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The amount of provisions / contingent liabilities is based on management's estimate, and no significant liability is expected to arise out of the same.

B Bank guarantee for which the Group is contingently liable:

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
In respect of guarantees given by banks for Income tax matters	99.00	99.00

2 Commitments:

A Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 4,35.08 lakhs (as at March 31, 2021: Rs.2,76.63 lakhs)

B Other commitments

a) Loan commitment towards vehicle financing Rs. 20,38.42 lakhs (as at March 31, 2021: Rs.8,97.21 lakhs)

Note 35
Employee benefit obligations

a) Super annuation plan

The Group 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 Group is liable to pay to the superannuation fund to the extent of the amount contributed and recognises such contribution as an expense in the year of contribution.

On account of the above contribution plans, a sum of Rs. 1,13.35 lakhs (previous year Rs. 1,16.40 lakhs) has been recognised in the Consolidated Statement of Profit and Loss.

b) Provident fund plan
Defined contribution plans
In accordance with Indian law, eligible employees of one of the subsidiary Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' 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.
On account of the above contribution plans, a sum of Rs. 1,55.51 lakhs (previous year Rs. 1,59.27 lakhs) has been recognised in the Consolidated Statement of Profit and Loss.

Defined benefit plans
In accordance with Indian law, eligible employees of TMF Holdings Limited and one of the subsidiary Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions, except the employer's contribution towards pension fund paid to the Regional Provident Fund office, as specified under the law, are made to the provident fund set up as an irrevocable trust by Tata Motors Limited. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation.

Given the prescribed investment pattern, most investment of provident fund have historically been in debt securities, which were giving secure returns. With a ratings downgrade and potential bond default of some of the biggest companies, the total liability principal and interest guarantee has been actuarially valued as a defined benefit.

The amounts contributed by the TMF Holdings Limited and one of the subsidiary Company to Tata Motors Limited provident fund towards provident fund amounts to Rs. 603.72 lakhs (Previous year Rs. 5,98.06 lakhs) and to Regional Provident Fund office amounts to Rs. 359.97 lakhs (Previous year Rs. 3,76.55 lakhs) has been recognised in the Statement of Profit and Loss. Contribution towards provident fund of Rs. Nil (Previous year 2,43.88 lakhs) has been recognized in Other Comprehensive Income.

The board of trustee has passed a resolution to surrender exempted establishment with effect from April 1, 2022 with cut-off date March 31, 2022.

The following tables set out the funded status of the defined benefit provident fund plan and the amounts recognized in the Company's financial statements as at March 31, 2021.

(Rs. in lakhs)

Change in benefit obligations:	**As at March 31, 2021**
Defined benefit obligations at the beginning	148,64.21
Service cost	5,87.09
Employee contribution	11,54.92
Acquisitions (credit) / cost	(193.46)
Interest expense	12,78.44
Actuarial (gains) / losses arising from changes in experience adjustments on plan liabilities	139.42
Benefits paid	(7,05.43)
Defined benefit obligations at the end	**171,25.19**

(Rs. in lakhs)

Change in plan assets:	**As at March 31, 2021**
Fair value of plan assets at the beginning	151,12.92
Acquisition Adjustment	(193.46)
Interest income	12,67.47
Return on plan assets excluding amounts included in interest income	(3,51.77)
Contributions (employer and employee)	17,35.03
Benefits paid	(7,05.43)
Fair value of plan assets at the end	**168,64.76**

(Rs. in lakhs)

Amount recognised in the balance sheet consists of	As at March 31, 2021
Present value of defined benefit obligation	171,25.19
Fair value of plan assets	168,64.76
Effect of asset ceiling	(2,61.83)
Net liability	**(261.83)**

(Rs. in lakhs)

Amount recognised in the Statement of Profit and Loss:	Year ended March 31, 2021
Current service cost - Employer	5,87.09
Net interest on net defined benefit liability / (asset)	10.97
Cost recognised in P&L	**5,98.06**

(Rs. in lakhs)

Amount recognised in Other Comprehensive Income (OCI):	Year ended March 31, 2021
Actuarial (gain)/loss due to DBO experience	**0.23**
Actuarial (gain)/loss due to DBO assumption changes	1,39.19
Actuarial (gain)/loss arising during year	**139.42**
Return on plan assets (greater)/less than discount rate	3,51.77
Actuarial (gains)/ losses recognized in OCI	**4,91.19**
Adjustment for limit on net asset	(2,47.31)
Cumulative Actuarial (Gain) or Loss Recognized via OCI at Current Period End	**243.89**

The assumptions used in determining the present value obligation of the Provident Fund is set out below:

Particulars	As at March 31, 2021
Discount rate	6.90%
Expected rate of return on plan assets	8.50%
Remaining term to maturity of portfolio	13.0

The breakup of the plan assets into various categories as at March 31, 2022 is as follows:

Particulars	As at March 31, 2021
Central and State government bonds	44.81%
Public sector undertakings and Private sector bonds	33.64%
Equity shares of listed Companies	4.35%
Cash (including special deposit)	14.38%
Others	2.82%
Total	**100.00%**

As at March 31, 2021, the defined benefit obligation would be affected by approximately Rs. 2.89.18 Lakhs on account of a 0.50% decrease in the expected rate of return on plan assets.

Gratuity plan

The gratuity defined benefit plan is a funded plan and the Company makes contributions to the Tata Motors Limited Gratuity Trusts for funding the defined benefit gratuity plan for qualifying employees. The plan provides for a lumpsum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service.

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

(Rs. in lakhs)

a) Changes in defined benefit obligations	As at March 31	
	2022	**2021**
Defined benefit obligation, beginning of the year	48,88.53	44,08.52
Current service cost	4,77.42	4,18.75
Interest cost	3,17.42	2,89.83
Remeasurement (gains) / losses		
Actuarial (gain) /losses arising from change in financial assumptions	(34.81)	-
Actuarial (gain) /losses arising from change in demographic assumptions	69.90	-
Actuarial (gain) /losses arising from change in experience adjustments	60.19	1,87.48
Benefits paid from plan assets	(4,17.27)	(4,16.05)
Defined benefit obligation, end of the year	**53,61.38**	**48,88.53**

(Rs. in lakhs)

b) Changes in plan assets	As at March 31	
	2022	**2021**
Fair value of plan assets, beginning of the year	43,25.35	43,48.96
Interest cost	2,98.02	2,89.19
Remeasurement (gains) / losses		
Return on plan assets, (excluding amount included in net Interest expense)	38.61	2.82
Transfer in/(out) of assets	-	-
Employer's contribution	5,70.82	100.43
Benefits paid	(4,17.27)	(4,16.05)
Fair value of plan assets, end of the year	**48,15.53**	**43,25.35**

(Rs. in lakhs)

c) Amount recognised in balance sheet consist off	As at March 31	
	2022	**2021**
Present value of defined benefit obligation	(53,61.38)	(48,88.53)
Fair value of plan assets	48,15.53	43,25.35
Net Liability / (Assets)	**(545.85)**	**(563.18)**

(Rs. in lakhs)

d) Amount recognised in the Statement of Profit and Loss:	As at March 31	
	2022	**2021**
Current Service Cost	4,77.42	4,18.75
Interest on Defined Benefit Obligations (Net)	19.40	0.64
Net Charge to the Statement of Profit and Loss	**4,96.82**	**4,19.39**

(Rs. in lakhs)

e) Amount recognised in Other Comprehensive Income(OCI) for the Year:	As at March 31	
	2022	**2021**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in interest expense/income	(38.61)	2.82
Actuarial gains/(losses) arising from changes in demographic assumptions	69.90	-
Actuarial gains/(losses) arising from changes in financial assumptions	(34.81)	-
Actuarial gains/(losses) arising from changes in experience adjustments on plan liabilities	60.19	(1,87.48)
Net impact on the other comprehensive income before tax	**56.67**	**(1,84.66)**

(Rs. in lakhs)

f) The fair value of Company's Gratuity plan asset by category	As at March 31, 2022	As at March 31, 2021
Asset Category		
Insurer managed funds		
- Government securities (quoted)	-	-
- Debt instruments (quoted)	-	-
- Debt instruments (unquoted)	-	-
- Equity shares (quoted)	-	-
- Insurer Managed Funds (unquoted)	100%	100%

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

g) The assumptions used in accounting for the gratuity plans are set out below:	As at March 31, 2022	As at March 31, 2021
Discount rate	7.10%	6.90%
Expected return on plan assets	7.10%	6.90%
Salary Escalation rate	8% for first Year , 7% thereafter	7.00%
Mortality Tables	Indian Assured Lives mortality (2006-08) Ult	

(a) Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

(b) The estimates of future salary increases, considered in actuarial valuation, take into account the inflation, seniority, promotion and other relevant factors.

(Rs. in lakhs)

h) The maturity profile of defined benefit obligation are set out below:	As at March 31, 2022	As at March 31, 2021
Within next 12 months (next annual reporting period)	4,68.35	5,34.51
Between 1 and 5 years	23,77.87	22,43.60
Between 5 and 9 years	37,73.94	34,72.44
10 years and above	-	-

(Rs. in lakhs)

i) Quantitative sensitivity analysis for significant assumptions:	As at March 31, 2022	As at March 31, 2021
100 bps increase in discount rate	(3,81.58)	(3,25.95)
100 bps decrease in discount rate	4,33.79	3,68.96
100 bps increase in salary escalation rate	4,29.46	3,65.45
100 bps decrease in salary escalation rate	(3,84.64)	(3,28.93)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

j) Weighted Average Duration of Defined Benefit obligation:	As at March 31, 2022	As at March 31, 2021
The weighted average duration of the defined benefit obligation	7.89 years	7.63 years

(Rs. in lakhs)

k) The best estimate of the expected Contribution for the next year:	As at March 31, 2022
The Group expected contribution to the funded gratuity plans in FY 2022-23.	4,68.35

l) Risk Exposure

Through its gratuity defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below :

Investment Risk: If future investment returns on assets are lower than assumed in valuation, the scheme's assets will be lower, and the funding level higher, than expected.

Change in bond yeilds: A decrease in yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

Note 36
Related party disclosures

(A) Related parties and their relationship
(I) Parties where the control exists:
- Holding Company: Tata Motors Limited

(II) Subsidiaries
Tata Motors Finance Limited
Tata Motors Finance Solutions Limited

(III) Joint ventures
Loginomic Tech Solutions Private limited

(IV) Other related parties with whom transactions have taken place
(i) Fellow subsidiaries, associates and Joint arrangements within the Group
TML Business Services Limited
Tata Technologies Limited
TML Distribution Company Limited
Tata Motors Passenger Vehicle Limited
Tata Motors Insurance Broking And Advisory Services Limited
Tata Motors Finance Limited Employees Gratuity Scheme Trust
Tata Precision Industries (India) Limited
Automobile Corporation of Goa Limited
Tata Marcopolo Motors Limited

(ii) Tata Sons and its subsidiaries and Joint arrangements
Tata Sons Private Limited
Tata Limited
Infiniti Retail Limited
Tata Capital Limited
Tata Capital Financial Services Limited
Tata Capital Housing Finance Limited
Tata Consultancy Services Limited
Tata International Limited
Tata AIG General Insurance Company Limited
Tata Teleservices Limited
Tata Teleservices (Maharashtra) Limited
Tata International DLT Private Limited

(iii) Relatives of Key Management personnel
Ms. Sonu Mani - Non Executive Director Spouse

(iv) Post Employment Benefit Plans
Tata Motors Finance Limited Employees Gratuity Trust

(V) Key Management personnel :
Mr. Guenter Butschek - Chairman & Director
Mr. Shyam Mani - Managing Director (upto March 31, 2021)
Mr. Hoshang Sinor - Independent Director (upto December 05, 2019)
Mr. Samrat Gupta - Managing Director & Chief Executive Officer (from April 01, 2021)
Mr. Nasser Munjee, Independent Director and Chairman (from June 20, 2020)
Mr. P. S. Jayakumar, Independent Director (from July 10, 2020)
Mr. Phillie Karkaria - Independent Director (Up to May 18, 2020)
Ms. Vedika Bhandarkar - Independent Director
Mr. P. B. Balaji - Independent Director
Mr. Anand Bang - Chief Financial Officer (Up to July 31, 2020)
Ms. Ridhi Gangar - Chief Financial Officer (from August 01, 2020)

Note 36
Related party disclosures

(B) Transactions/Balances with Related parties
The following table summarizes related-party transactions for the year ended and balances as at March 31, 2022

(Rs. in Lakhs)

Transactions	Holding Company	Joint venture	Other Related parties
a) Transactions during the year			
Deposit received	3,36.00	-	-
Deposit repaid	3,36.00	-	-
Expenses for support services (incl. reimbursement of expenses)	1,42.42	-	8,96.85
Rent Expenses	31.07	-	-
Dividend paid	13,02.00	-	24.19
Interest Expenses	-	-	25.47
Other Expenses	-	-	24,47.28
Income related to financing activities	74,34.71	-	-
Dividend income	-	-	-
Rent Income	7.46	-	67.32
Other Income	-	-	1.29
Interest income on loans and investments	9,51.51	-	353.21
Service charges income	75.00	-	12,38.12

(Rs. in Lakhs)

b) Balances as at	Holding Company	Joint venture	Other Related parties
Receivable - loans and Advances	-	-	50.00
Other Receivables	9,71.90	95.00	62.41
Debt investments	-	8,35.00	-
Other Payables	49.24	-	5,47.04
Provision on doubtful loans and investments	-	9,30.00	-

Note: Provision for doubtful debts based on expected credit losses was recognised on the receivables owed by related parties amounting to Rs 9,30.00 lakhs.

The following table summarizes related-party transactions for the year ended and balances as at March 31, 2021

(Rs. in Lakhs)

Transactions	Holding Company	Joint venture	Other Related parties
a) Transactions during the year			
Purchase of fixed assets	2,83.64	-	7,72.86
Recoveries from employee benefit trust	-	-	4,83.02
Contributions paid to employee benefit trust	-	-	99.34
Expenses for support services (incl. reimbursement of expenses)	2,35.28	-	30,92.12
Rent Expenses	29.95	-	-
Dividend paid	1,30.20	-	-
Interest Expenses	-	-	,54.93
Other Expenses	-	-	10,53.02
Income related to financing activities			1,98.09
Dividend income	-	-	,2.42
Rent Income	2.13	-	1,03.57
Other Income	17.04	-	-
Interest income on loans and investments	1087.43	-	,5.42
Service charges income	16672.21	-	61,32.06

Note 36
Related party disclosures

(Rs. in Lakhs)

b) Balances as at	**Holding Company**	**Joint venture**	**Other Related parties**
Receivable - loans and Advacnes	-	-	,50.00
Other Receivables	37,30.89	95.00	1,28.83
Debt investments	-	8,35.00	-
Payables - Borrowings & debt securities	-	-	5,00.00
Other Payables	26.24	-	17,10.59
Provision on doubtful loans and investments	-	9,30.00	-

Note:

1. Provision for doubtful debts based on expected credit losses was recognised on the receivables owed by related parties amounting to Rs 9,30.00 lakhs.

2. Group has entered into various lease rent agreement with Ultimate Holding Company as a lessee which meets the Lease definition as per Ind AS 116. Accordingly, the Group has recognized the Right of use assets and corresponding lease liability on date of transition i.e April 01, 2019. Rent expenses includes Rs. 28.72 lakhs (Rs. 26.04 lakhs for the year ended March 31, 2021) which has been adjusted against the outstanding lease liability in accordance with Ind AS 116.

Details of significant transactions are given below: (Rs. in Lakhs)

Nature of Transaction	**Name of Related Party**	**Nature of relationship**	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Purchase of fixed assets	Tata Marcopolo Motors Limited	Fellow subsidiary	-	7,60.00
Expenses for other services (incl. reimbursement of expenses)	Tata Consultancy Services Limited	Tata Sons and its subsidiaries and joint arrangements	3,07.89	20,31.35

Transactions and balances with Key Management personnel and their relatives

	(Rs. in Lakhs)	**(Rs. in Lakhs)**
a) Transactions	**For year ended March 31, 2022**	**For year ended March 31, 2021**
Interest paid on unsecured perpetual debentures	13.65	4.54
Repayment of Perpetual debentures	-	10.00
b) Balances	**As at March 31, 2022**	**As at March 31, 2021**
Net payable - Unsecured perpetual debentures	1,30.00	30.00

iii) Key management personnel remuneration

(Rs. in Lakhs)

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Short term employee benefits (refer note below)	16,22.61	9,66.19

Note:

1) Expenses towards provision for gratuity and leave encashment which are determined actuarial basis at an overall Company level are not included in the above information.

2) Includes sitting fees paid to non-executive directors is Rs. 280.00 lakhs and Rs. 139.10 lakhs for the year ended March 31, 2022 and 2021, respectively.

iv) In view of inadequate profit for the year, the remuneration paid to the Managing Director of Tata Motors Finance Limited for the year ended March 31, 2022 was higher by Rs. ₹ 223.69 lakhs as compared to limits prescribed under section 197 read with Schedule V to the Companies Act, 2013. The Company is in the process of obtaining shareholder’s approval by passing a special resolution in the ensuing general meeting.

Terms and Conditions of Transaction with Related Parties:

The transaction with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm’s length transactions.

Note 37
Fair value measurements

Financial Instruments by categories

The following table presents the carrying amounts of each category of financial assets and liabilities as at March 31, 2022:

(Rs. in Lakhs)

	Financial assets	Amortised cost	FVTOCI	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Total carrying value
(a)	Investments	1230,11.49	133,70.40	232,00.86	-	-	1595,82.75
(b)	Loans	22198,57.63	14090,28.87	-	-	-	36288,86.50
(c)	Trade & other receivables	32,76.36	-	-	-	-	32,76.36
(d)	Cash and cash equivalents	5278,00.18	-	-	-	-	5278,00.18
(e)	Other bank balances	534,22.56	-	-	-	-	534,22.56
(f)	Other financial assets	788,38.90	-	-	-	-	788,38.90
(g)	Derivative financial instruments	-	-	-	87,64.13	-	87,64.13
	Total	**30062,07.12**	**14223,99.27**	**232,00.86**	**87,64.13**	**-**	**44605,71.38**

	Financial liabilities	Amortised Cost	FVTOCI	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Total carrying value
(a)	Borrowings	25224,28.98	-	-	-	-	25224,28.98
(b)	Debt securities	12378,20.06	-	-	-	-	12378,20.06
(c)	Trade & other payables	303,68.83	-	-	-	-	303,68.83
(d)	Subordinated liabilities	902,18.27	-	-	-	-	902,18.27
(e)	Derivative financial instruments	-	-	-	19,79.51	-	19,79.51
(f)	Other financial liabilities	1106,27.15	-	-	-	-	1106,27.15
	Total	**39914,63.29**	**-**	**-**	**19,79.51**	**-**	**39934,42.80**

The following table presents the carrying amounts of each category of financial assets and liabilities as at March 31, 2021:

	Financial assets	Amortised cost	FVTOCI	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Total carrying value
(a)	Investments	1,90.00	112,53.31	1031,62.68	-	-	1146,05.99
(b)	Loans	28941,84.17	7917,33.23	-	-	-	36859,17.41
(c)	Trade & other receivables	93,51.83	-	-	-	-	93,51.83
(d)	Cash and cash equivalents	5088,95.20	-	-	-	-	5088,95.20
(e)	Other bank balances	1137,70.41	-	-	-	-	1137,70.41
(f)	Other financial assets	540,04.96	-	-	-	-	540,04.96
(g)	Derivative financial instruments	-	-	-	26,23.52	12.41	26,35.93
	Total	**35803,96.57**	**8029,86.54**	**1031,62.68**	**26,23.52**	**12.41**	**44891,81.73**

	Financial liabilities	Amortised cost	FVTOCI	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Total carrying value
(a)	Borrowings	25825,50.94	-	-	-	-	25825,50.94
(b)	Debt securities	12777,85.52	-	-	-	-	12777,85.52
(c)	Trade & other payables	358,70.23	-	-	-	-	358,70.23
(d)	Subordinated liabilities	1008,84.50	-	-	-	-	1008,84.50
(e)	Derivative financial instruments	-	-	-	49,26.63	-	49,26.63
(f)	Other financial liabilities	741,52.73	-	-	-	-	741,52.73
	Total	**40712,43.92**	**-**	**-**	**49,26.63**	**-**	**40761,70.55**

Fair value hierarchy

Set out below, is a comparison by class of carrying amounts and fair value of the Group's financial assets/liabilities, other than those with the carrying amounts that are reasonable approximations of fair values:

(Rs. in Lakhs)

Particulars		**As at March 31, 2022**					
		Carrying value	**Fair value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value							
(a)	Investments	365,71.26	365,71.26	94,32.28	51,50.00	219,88.98	365,71.26
(b)	Derivative instruments	87,64.13	87,64.13	-	87,64.13	-	87,64.13
(c)	Loans	14090,28.87	14090,28.87	-	-	14090,28.87	14090,28.87
	Total	**14543,64.26**	**14543,64.26**	**94,32.28**	**139,14.13**	**14310,17.85**	**14543,64.26**

Particulars		**As at March 31, 2022**					
		Carrying value	**Fair value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at amortised cost for which fair value is disclosed							
(a)	Loans	22198,57.63	22601,89.02	-	-	22601,89.02	22601,89.02
	Total	**22198,57.63**	**22601,89.02**	**-**	**-**	**22601,89.02**	**22601,89.02**

Particulars		**As at March 31, 2022**					
		Carrying value	**Fair value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial liabilities measured at fair value							
(a)	Derivative instruments	19,79.51	19,79.51	-	19,79.51	-	19,79.51
		19,79.51	**19,79.51**	**-**	**19,79.51**	**-**	**19,79.51**

Particulars		**As at March 31, 2022**					
		Carrying value	**Fair value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at amortised cost for which fair value is disclosed							
(a)	Borrowings	1194,85.26	2093,28.89	-	2093,28.89	-	2093,28.89
(b)	Debt securities	7416,04.39	7670,77.61	-	7670,77.61	-	7670,77.61
(c)	Subordinated liabilities	902,18.27	933,99.56	-	933,99.56	-	933,99.56
	Total	**9585,16.01**	**10698,06.06**	**-**	**10698,06.06**	**-**	**10698,06.06**

Particulars		**As at March 31, 2021**					
		Carrying value	**Fair value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value							
(a)	Investments	1144,15.99	1144,15.99	908,04.03	59,48.11	176,63.85	1144,15.99
(b)	Derivative instruments	26,35.93	26,35.93	-	26,35.93	-	26,35.93
(c)	Loans	7917,33.21	7917,33.21	-	-	7917,33.22	7917,33.22
	Total	**9087,85.14**	**9087,85.14**	**908,04.03**	**85,84.04**	**8093,97.07**	**9087,85.14**

Particulars		**As at March 31, 2021**					
		Carrying value	**Fair value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at amortised cost for which fair value is disclosed							
(a)	Loans	28941,84.18	29311,96.99	-	-	29311,96.99	29311,96.99
	Total	**28941,84.18**	**29311,96.99**	**-**	**-**	**29311,96.99**	**29311,96.99**

Particulars		**As at March 31, 2021**					
		Carrying value	**Fair value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial liabilities measured at fair value							
(a)	Derivative instruments	49,26.63	49,26.63	-	49,26.64	-	49,26.64
		49,26.63	**49,26.63**	**-**	**49,26.64**	**-**	**49,26.64**

Particulars		**As at March 31, 2021**					
		Carrying value	**Fair value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at amortised cost for which fair value is disclosed							
(a)	Borrowings	2997,07.27	4077,52.08	-	4077,52.08	-	4077,52.08
(b)	Debt securities	5218,79.18	5556,00.21	-	5556,00.21	-	5556,00.21
(C)	Subordinated liabilities	1008,84.50	1120,89.07	-	1120,89.07	-	1120,89.07
	Total	**9272,02.55**	**10802,63.15**	**-**	**10802,63.15**	**-**	**10802,63.15**

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

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

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

There has been no transfers between level 1, level 2 and level 3 for the year ended March 31, 2022 and March 31, 2021

Valuation technique used to determine fair value of financial instruments

(a) Derivatives instruments are fair valued using market observable rates and published prices together with forecast cash flow information where applicable are classified in level 2. The fair value (i.e. Market to Market) of the derivative instruments is provided by independent third party external valuer (i.e. reputed banks/financial institution).

(b) The fair value of loans arising from financing activities has been estimated by discounting expected cash flows using rates at which loans of similar credit quality and maturity would be made and internal assumptions such as expected credit losses and estimated collateral value as at March 31, 2022 and 2021. Since significant unobservable inputs are applied in measuring the fair value of loans arising from finance activities are classified in Level 3.

(c) The fair value of borrowings is estimated by discounting expected future cash flows, using a discount rate equivalent to the risk-free rate of return, adjusted for the credit spread considered by the lenders for instruments of similar maturity and credit quality are classified in level 2.

(d) The fair value of the long term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts.

(e) Costs of certain unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. These investments in equity instruments are not held for trading. Instead, they are held for medium or long term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments in equity instruments at FVTOCI as the directors believes this provides a more meaningful presentation for medium or long term strategic investments, than reflecting changes in fair value immediately in profit or loss.

Certain unquoted equity instruments clasified as Level 3 are fair valued by independent third party valuer using the Comparable Company Method/Approach (CCM). Since significant unobservable inputs are applied in measuring the fair value they are classified in Level 3. Increase or decrease in multiple will result in increase or decrease in valuation.

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

Fair value of financial assets/liabilities measured at amortised cost

The carrying amounts of other financial assets and other financial liabilities other than those disclosed in table above valued at level 2 and level 3 are considered to be the same as their fair values due to the short term maturities of instruments and no material differences in the values.

Reconciliation of level 3 fair value measurement is as below :

(Rs. in Lakhs)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Balance at the beginning of the year	8093,97.09	3810,52.09
Additions during the year	10116,50.40	6038,39.53
MTM gain/(loss) recognized in OCI	121,23.47	168,63.28
MTM gain/(loss) recognized in P&L	53,33.97	52,61.83
Realised during the year	(4074,87.07)	(1976,19.63)
Balance at the end of the year	**14310,17.84**	**8093,97.09**

Note 38

Group as a Lessee

The Group has leases for the office premises at its PAN India branches, rented yards for repossessed vehicles and for other equipments like Gensets. With the exception of short term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of revenue) are excluded from the initial measurement of the lease liability and asset.

The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment (refer Note 14)

Leases of rented offices are generally limited to a lease term of 2 to 12 years. Leases of rented yards generally have a lease term ranging from 5 years to 9 years. Lease payments are generally fixed however the Group has one lease where rentals are linked to outstanding Loan and the number of employees

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group.

Refer Note 14 for details of right-of-use asset recognized

Set out below, are the carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the year:

(Rs. in Lakhs)

Particulars	**As at March 31, 2022**		**As at March 31, 2021**	
	Right-of-use assets	**Borrowings**	**Right-of-use assets**	**Borrowings**
	Buildings	**Lease Liabilities**	**Buildings**	**Lease Liabilities**
As at April 01, 2021	43,62.54	47,31.60	49,27.46	52,06.78
Additions	36,31.13	36,31.77	19,03.07	19,03.07
Deletions	(1,28.41)	(1,34.04)	(11,71.70)	(12,78.58)
Depreciation expense	(12,47.73)	-	(12,96.29)	-
Interest expense	-	5,07.72	-	4,21.61
Payments	-	(15,27.96)	-	(15,21.28)
Total	**66,17.53**	**72,09.09**	**43,62.54**	**47,31.60**

When measuring the lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate.

Refer Note 43 on Financial Risk Manangement for maturity analysis of lease liabilities at March 31, 2022

(Rs. in Lakhs)

Set out below, are the amounts recognised in profit and loss	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Depreciation expense of right-of-use assets	12,47.73	12,96.29
Interest expense on lease liabilities	5,07.72	4,21.61
Rent expense- Short term leases	8,52.57	1,32.65
Leases of low value assets	5.12	5.61
Variable lease payments (Not being linked to any index or rate)	-	-

During Financial year ended March 31, 2022, the Company applied the practical expedient to all rent concessions that meet the conditions as per para 46A of Ind AS 116. The total rent concessions recognised in statement of P&L during the year ended March 31, 2021 was Rs. 1,05.42 lakhs.

Note 39

Group as a Lessor

The Group has given passenger and commercial vehicles under operating lease.

The Group has recognised lease rental income from leasing of these assets amounting to Rs. 60,17.31 lakhs (Previous year: 64,26.94 lakhs) in the Consolidated Statement of Profit and Loss. There are no variable lease rentals recognized during the year.

Although the risks associated with rights that the Group retains in underlying assets are not considered to be significant, the Group employs strategies to further minimise these risks. For example, ensuring all contracts include clauses requiring the lessee to compensate the Group 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-

(Rs. in lakhs)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Within 1 year	44,16.64	65,17.39
1-2 years	33,71.23	47,20.14
2-3 years	12,30.72	31,26.20
3-4 years	87.71	11,35.90
4-5 years	-	,46.98
Total	**91,06.30**	**155,46.61**

Note 40

Finance Lease receivables

The Group has entered into lease arrangements as a lessor that are considered to be finance leases. The Group leases vehicles and as it transfer's substantially all of the risks and rewards of ownership of the assets they are classified as finance leases. The lease term for these leases ranges from 2 to 7 years.
The maturity analysis of lease receivables, including the undiscounted lease payments to be received are as follows:

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than 1 year	35,54.33	7,00.61
1-2 years	19,74.13	6,47.30
2-3 years	14,98.26	336.05
3-4 years	9,29.94	296.05
4-5 years	8,22.64	197.47
more than 5 years	1,25.99	277.17
Total undiscounted lease payments receivabl	**89,05.29**	**24,54.65**
Unearned finance income	(15,10.74)	(546.17)
Net investment in the lease	**73,94.55**	**19,08.48**

Further, Group has recognized following amounts in consolidated statement of profit and loss during the year:

(Rs. in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Finance income on the net investment in the lease	403.11	83.02

Note 41

Assets held for sale

Tata Motors Finance Limited and Tata Motors Finance Solutions Limited has acquired underlying collateral in satisfaction of its receivable from certain borrowers and has classified those assets as held for sale. As at March 31, 2022 assets held for sale amounted to Rs. 44990.13 lacs. Subsidaries expect to dispose off these assets in open market within next 1 year.

Note 42
Maturity Analysis of Assets and Liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled

	Particulars	As at March 31, 2022			As at March 31, 2021		
		Current	Non current	Total	Current	Non current	Total
I	**ASSETS**						
1	**Financial assets**						
(a)	Cash and cash equivalents	5278,00.18	-	5278,00.18	5088,95.20	-	5088,95.20
(b)	Bank Balance other than cash and cash equivalents	170,61.76	363,60.80	534,22.56	603,24.07	534,46.34	1137,70.41
(c)	Derivative financial instruments(assets)	6912.45	18,51.68	87,64.13	38.37	25,97.56	26,35.93
(d)	Receivables						
i.	Trade receivables	28,39.04	-	28,39.04	61,52.12	-	61,52.12
ii.	Other receivables	4,37.32	-	4,37.32	31,99.71	-	31,99.71
(e)	Loans	24726,75.00	11562,11.49	36288,86.49	19395,89.02	17463,28.39	36859,17.41
(f)	Investments	58,55.00	1537,27.75	1595,82.75	844,25.04	301,80.95	1146,05.99
(g)	Other financial assets	767,43.49	20,95.40	788,38.89	426,37.04	113,67.92	540,04.96
2	**Non-financial assets**						
(a)	Current tax assets (net)	-	234,14.54	234,14.54	-	188,93.60	188,93.60
(b)	Deferred tax assets (net)	-	203,25.67	203,25.67	-	137,38.86	137,38.86
(c)	Investments in joint venture (equity accounted investee)	-	-	-	-	-	-
(d)	Property, plant and equipment	-	229,95.22	229,95.22	-	272,98.02	272,98.02
(e)	Capital work-in-progress	-	-	-	-	-	-
(f)	Goodwill	-	205,18.53	205,18.53	-	205,18.53	205,18.53
(g)	Other intangible assets	-	3,40.53	3,40.53	-	5,36.63	5,36.63
(h)	Other non-financial assets	128,61.02	22,88.89	151,49.91	140,66.55	21,95.10	162,61.65
3	**Assets held for sale**	449,90.13	-	449,90.13	-	-	-
	Total assets	**31681,75.39**	**14401,30.50**	**46083,05.89**	**26593,27.12**	**19271,01.90**	**45864,29.02**
II	**LIABILITIES**						
1	**Financial liabilities**						
(a)	Derivative financial instruments(liability)	-	19,79.51	19,79.51	13,58.87	35,67.77	49,26.64
(b)	Payables						
i.	Trade payables						
	- total outstanding dues of micro enterprises and small enterprises	10,01.23		10,01.23			
	- total outstanding dues of creditors other than micro enterprises and small enterprises	238,39.46	-	238,39.46	298,48.90	-	298,48.90
ii.	Other payables						
	- total outstanding dues of micro enterprises and small enterprises	-					
	- total outstanding dues of creditors other than micro enterprises and small enterprises	55,28.14	-	55,28.14	60,21.33	-	60,21.33
(c)	Debt securities	7105,26.44	5272,93.62	12378,20.06	9507,99.53	3269,85.99	12777,85.52
(d)	Borrowings (Other than debt securities)	11409,07.08	13815,21.90	25224,28.98	12648,58.55	13176,92.38	25825,50.93
(e)	Subordinated liabilities	190,04.74	712,13.53	902,18.27	154,40.94	854,43.56	1008,84.50
(f)	Other financials liabilities	976,23.49	130,03.68	1106,27.15	579,28.16	162,24.57	741,52.73
2	**Non-financial liabilities**						
(a)	Current tax liabilities (net)	4,02.55	-	4,02.55	3,71.03	-	3,71.03
(b)	Provisions	20,09.09	81,58.77	101,67.86	1,82.96	81,70.66	83,53.62
(c)	Other non-financial liabilities	84,80.36	-	84,80.36	94,57.80	-	94,57.80
	Total liabilities	**20093,22.58**	**20031,71.01**	**40124,93.57**	**23362,68.07**	**17580,84.93**	**40943,53.00**
	Net	**11588,52.81**	**(5630,40.49)**	**5958,12.32**	**3230,59.05**	**1690,16.97**	**4920,76.02**

Note 43
Financial risk management

The Group's activities expose it to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group'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 Group's and provides assurance to The Group's's senior management that The Group's's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with The Group's's policies and risk objectives.

All hedging activities are carried out by Centralised treasury department possessing the appropriate skills, experience and supervision. The Group's's policy is to hedge the exposure by taking derivative instruments and not to trade in derivatives for speculative purposes.

(A) 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 Group's is exposed to credit risk from its
-operating activities, primarily loans arising from financing activities;
- Investing activites, 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 arisng from financing activities, Investment in debt instruments, derivative instruments, trade receivables 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 Group's 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 Group's cash equivalents, including time deposits with banks, are past due or impaired. Regarding the derivative contracts, trade receivables and other financial assets are neither impaired nor past due, there were no indications as at March 31, 2022, that defaults in payment obligations will occur.

i) Loans arising from financing activities - Credit quality of financial assets and impairment loss
Loans from financing activities to customers. Credit risk for loans is managed by the Group's through credit approvals, establishing credit limits and periodic monitoring of the creditworthiness of its customers to which The Group's grants credit terms in the normal course of business. Credik risk is monitored by the credit risk department of The Group's independent Risk department/function who have the responsibility for reviewing and managing credit risk.

The Group creates & secures first and exclusive collateral charge at the time of loan origination on all vehicles for which vehicle financing loans are given. Hypothecation endorsement is obtained in favour of the Group in the Registration Certificate of the Vehicle funded under the vehicle finance category. Any surplus remaining after settlement of outstanding loan by way of sale of vehicle (collateral) is returned to the customer. Also, the Group secures portion of the loss against loans financed to customers by obtaining third party credit guarantees. For the corporate lending loan exposure, wherever required the Group obtains security cover in the form of immoveable properties by creating charge over the collateral.

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The Group is in retail & corporate lending business on pan India basis. Vehicle Finance consists of lending for purchase of new and used Commercial Vehicles and Passenger Vehicles against security. Hypothecation endorsement is made in favour of the Group in the Registration Certificate in respect of all registerable collateral. Portfolio is reasonably well diversified across South, North, East and Western parts of the country. Similarly, sub segments within Used Vehicle Finance like refinance against existing vehicles and repurchase vehicles (first time buyers), leading to well diversified into sub product mix.

The maximum credit exposure to any individual customer from the financing business as of March 31, 2022 was Rs. 294,12.46 lakhs (March 31, 2021: Rs. 272,53.47 lakhs).

On account of adoption of Ind AS 109, The Group's uses the 3 staging Expected Credit Loss (ECL) model to assess the provision for impairment loss allowance. The model takes into account a continuing credit evaluation of Group's customers' financial condition; ageing of loans; the value and adequacy of collateral received from the customers; The Group's's historical loss experience; and adjusted for forward looking information. The Group's defines default as an event when there is no reasonable expectation of recovery.
The Group's makes allowances for losses on its portfolio of loans on the basis of expected future collection from receivables. The future collection are estimated on the basis of past collection trend which are adjusted for changes in current circumstances as well as expected changes in collection on account of future with respect to certain macro economic factor. The Group's impairment assessment and measurement approach is set out in Note 3(xvii) A - Accounting policies.

Note 43
Financial risk management

The following table provides information about the credit quality of financial assets and impairment loss
The ageing of loans as of balance sheet date is given below. The ageing analysis have been considered from the due date.

Particulars	Stage-1		Stage-2		Stage-3		Total	
	Loans (Gross)	Impairment loss	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss	Loans (Gross)	Impairment loss
As at 31st March 2021	30165,88.23	191,16.93	5990,56.71	526,32.55	1985,22.92	564,44.07	38141,67.86	1281,93.55
Transfers during the year								
Transfer to Stage-1	2169,06.17	190,51.72	(1867,15.40)	(143,64.82)	(301,90.77)	(46,86.90)	-	-
Transfer to Stage-2	(2908,14.76)	(18,52.85)	2936,79.33	26,85.42	(28,64.57)	(8,32.57)	-	-
Transfer to Stage-3	(1074,42.03)	(21,03.99)	(1421,46.21)	(129,51.56)	2495,88.24	150,55.55	-	-
Impact of change in credit risk on account of	-	(95,61.74)	-	43,62.94	-	1569,27.34	-	1517,28.54
Changes in Opening Credit Exposure	(27636,48.64)	(186,45.67)	(2439,19.10)	(186,47.87)	(478,18.28)	(232,55.31)	(30553,86.02)	(605,48.85)
			-	-	-	-		
New Credit Exposure during the year (net of	29264,24.58	51,55.28	1304,06.11	52,00.41	775,93.02	345,90.12	31344,23.71	449,45.81
			-	-	-	-		
Amount Written off During the year	-	-	-	-	(771,98.37)	(771,98.37)	(771,98.37)	(771,98.37)
			-	-	-	-		
As at 31st March 2022	29980,13.55	111,59.68	4503,61.44	189,17.07	3676,32.19	1570,43.93	38160,07.18	1871,20.68

Particulars	Stage-1		Stage-2		Stage-3		Total	
	Loans (Gross)	Impairment loss	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss	Loans (Gross)	Impairment loss
As at 31st March 2020	27276,56.95	163,09.91	4002,39.50	246,63.30	1876,81.37	269,47.24	33155,77.82	679,20.45
Transfers during the year								
Transfer to Stage-1	1004,11.93	52,41.00	(966,33.06)	(47,01.52)	(37,78.87)	(5,39.48)	-	-
Transfer to Stage-2	(2599,94.24)	(18,00.57)	2634,30.02	23,11.68	(34,35.78)	(5,11.11)	-	-
Transfer to Stage-3	(362,76.61)	(3,77.22)	(259,76.87)	(25,68.70)	622,53.48	29,45.92	-	-
Impact of change in credit risk on account of	-	(2,72.51)	-	86,64.35	-	429,49.62	-	513,41.46
Changes in Opening Credit Exposure	(14840,75.41)	(54,57.25)	(2232,95.84)	(90,83.21)	(384,43.46)	143,17.25	(17458,14.71)	(2,23.21)
New Credit Exposure during the year (net of	19688,08.71	54,73.57	2812,92.96	333,46.65	310,24.50	71,12.95	22811,26.17	459,33.17
Amount Written off During the year	-	-	-	-	(367,78.32)	(367,78.32)	(367,78.32)	(367,78.32)
As at 31st March 2021	30165,31.33	191,16.93	5990,56.71	526,32.55	1985,22.92	564,44.07	38141,10.96	1281,93.55

Note 43

Financial risk management

Changes in the allowance for credit losses in loans arising from financing activities are as follows:

(Rs. in Lakhs)

	For the year ended March 31,	
	2022	**2021**
Balance at the beginning	1281,93.57	679,20.45
Impairment loss recognised/(reversed)	1355,15.11	967,70.93
Amounts written off	(771,43.33)	(364,97.81)
Balance at the end	**1865,65.35**	**1281,93.57**

Modification of financial assets not resulting in derecognition:

Particulars	` in Lakhs
Carrying amount before modification	2972,97.66
Modificiation (loss)/gain net of Impairment loss allowance measured at lifetime expected credit loss	(136,95.74)

(B) Management of Liquidity risk

Liquidity risk is the risk that The Group's 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 Group 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 Group 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 Group'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 details regarding the contractual maturities of financial liabilities, including estimated/contractual interest payments as at March 31, 2022:

(Rs. in Lakhs)

	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total contractual cashflows
Non derivatives						
Borrowings	25224,28.98	13191,03.41	8584,42.03	6237,32.64	-	28012,78.08
Trade and other payables	303,68.83	303,68.83	-	-	-	303,68.83
Debt securities	12378,20.06	7707,72.18	2164,87.74	3687,80.68	-	13560,40.60
Subordinated liabilities	902,18.27	278,54.45	291,95.15	389,96.93	329,17.50	1289,64.03
Lease liabilities	72,09.09	32,76.92	31,59.92	69,99.83	36,10.01	170,46.68
Other financial liabilities	1034,18.06	964,87.95	5,46.91	63,83.20	-	1034,18.06
Derivatives						
Derivative contracts	19,79.51	-	-	19,79.51	-	19,79.51
Total	**39934,42.80**	**22478,63.74**	**11078,31.75**	**10468,72.78**	**365,27.51**	**44390,95.79**

Contractual maturities of borrowings includes cash flows relating to collateralized debt obligations. This represents the amount received against the transfer of loans arising from financing activities in securitisation transactions and/or direct assignments, which do not qualify for derecognition. The liability of The Group's in such cases is limited to the extent of credit enhancements provided. The contractual maturities of such collateralized debt obligations are as follows:

(Rs. in Lakhs)

	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Total contractual cashflows
Collateralized debt obligations	1182,08.72	913,11.77	328,57.91	16,06.22	1257,75.90

Note 43
Financial risk management

The table below provides details regarding the contractual maturities of financial liabilities, including estimated/contractual interest payments as at March 31, 2021:

(Rs. in Lakhs)

	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total contractual cashflows
Non derivatives						
Borrowings	25825,50.94	14156,90.61	6295,53.69	7846,36.79	-	28298,81.09
Trade and other payables	358,70.23	358,70.23	-	-	-	358,70.23
Debt securities	12777,85.52	10075,24.64	1991,36.41	1646,85.75	-	13713,46.80
Subordinated liabilities	1008,84.50	311,20.28	320,37.96	778,25.07	806,01.00	2215,84.31
Lease liabilities	47,31.60	11,88.76	10,21.18	25,34.78	13,35.13	60,79.85
Other financial liabilities	694,21.13	571,04.64	2,90.34	120,26.15	-	694,21.13
Derivatives						
Derivative contracts	49,26.63	13,58.87	2.18	35,65.59	-	49,26.64
Total	**40761,70.55**	**25498,58.03**	**8620,41.76**	**10452,74.13**	**819,36.13**	**45391,10.05**

Contractual maturities of borrowings includes cash flows relating to collateralized debt obligations. This represents the amount received against the transfer of loans arising from financing activities in securitisation transactions and/or direct assignments, which do not qualify for derecognition. The liability of The Group's in such cases is limited to the extent of credit enhancements provided. The contractual maturities of such collateralized debt obligations are as follows:

(Rs. in Lakhs)

	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Total contractual cashflows
Collateralized debt obligations	2972,52.47	1926,47.33	1030,25.33	355,04.97	3311,77.63

(C) Management of Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Financial instruments affected by market risk include borrowings, investments and derivative financial instruments.

The Group exposure to market risk is a function of asset liability management activities. The Group continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the Group's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee.

Foreign currency risk

Foreign exchange risk is the risk of impact/changes related to fair value or future cash flows of an financial instrument exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The fluctuation in foreign currency exchange rates may have potential impact on the Consolidated Statement of Profit and Loss and equity, where assets/liabilities are denominated in a currency other than the functional currency of the Group.

The Group's foreign currency exposure arises mainly from variable rate foreign currency borrowings denominated in USD. The Group, as per its risk management policies, enters into derivative financial instruments like currency swaps and forward contracts to mitigate risk of changes in exchange rate in foreign currency. When a derivative is entered in to for the purpose of being as hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure.The Group policy is to fully hedge its foreign currency borrowings at the time of drawdown till the repayment.

No sensitivity analysis is prepared as the Group does not expect any material effect on the Group's profit and loss & financial position arising from the effects of reasonably possible changes to foreign exchange rates on variable rate foreign currency borrowings as the exposure is fully hedge by entering into derivative financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Group's exposure to the risk of changes in market rates relates primarily to the Group's borrowings obligations with floating/variable interest rates.

The Group borrows through various instruments which has interest rate reset clause which is exposed to interest rate risk. As at the end of reporting period, the Group had following variable interest rate borrowings and derivatives to hedge the interest rate risk:

(Rs. in Lakhs)

	As at March 31, 2022	As at March 31, 2021
Non derivative Financial Liabilities		
Variable rate borrowings *	2,249,652.35	1,961,076.37
Net Exposure	**2,249,652.35**	**1,961,076.37**

* The above excludes the foreign currency denominated floating interest rate borrowings, the Group manages its interest rate risk by entering into interest rate swap and cross currency interest rate swap derivative instruments in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Note 43
Financial risk management
Interest rate sensitivity analysis

Profit or loss is sensitive to interest expense from variable rate borrowings as a result of changes in interest rate. Increase/decrease of 100 basis points in interest rates at the reporting date would result in an impact (decrease/increase in case of profit/(loss) before tax of Rs. 224,96.52 lakhs and Rs. 151,83.76 lakhs on income for the year ended March 31, 2022 and 2021 respectively.

The above sensitivity analysis assumes that all other variables remain constant and the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

Equity price risk

Equity price risk is related to the change in market reference price of the investments in equity securities.

The fair value of some of The Group's's investments measured at fair value through other comprehensive income and fair value through profit and loss exposes The Group's to equity price risks. These investments are subject to changes in the market price of securities. The fair value of Group's investment in equity securities as at March 31, 2022 and 2021 was Rs. 318,90.47 lakhs and Rs. 126,76.48 lakhs respectively

(Rs in lakhs)

	Impact on profit for the year		Impact on other components of equity	
	March 31 2022	**March 31 2021**	**March 31 2022**	**March 31 2021**
Equity price Sensitivity				
Increase in equity price by 10 %*	17,51.12	11,92.26	14,37.92	11,25.33
Decrease in equity price by 10 %*	(17,51.12)	(11,92.26)	(14,37.92)	(11,25.33)

(Note: The impact is indicated on equity before consequential tax impact, if any).

Capital management

The capital structure of the Group consists of net debt and total equity of the Group. The Group manages its capital to maximise the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Group's risk management committee reviews the capital structure of the Group considering the cost of capital and the risks associated with each class of capital.

In addition the Group has financial covenants relating to the borrowing facilities that it has taken from the lenders which is monitored and complied by the Group.

Note 44
Transfer of financial assets
The Group's transfers loans arising from financing activities through securitisation transactions. In most of these transactions, The Group's also provides credit enhancements to the transferee.

Because of the existence of credit enhancements in such transactions, The Group's continues to have the obligation to pay to the transferee, limited to the extent of credit enhancement, even if it does not collect the equivalent amounts from the original asset and continues to retain substantially all risks and rewards associated with the receivables, and hence, such transfer does not meet the derecognition criteria resulting into the transfer not being recorded as sale. Consequently, the proceeds received from the transfer are recorded as collateralized debt obligation.

The carrying amount of loans along with the associated liabilities is as follows:

(Rs. in Lakhs)

Nature of Assets	As at March 31, 2022		As at March 31, 2021	
	Carrying amount of asset sold	Carrying amount of associated liabilities	Carrying amount of asset sold	Carrying amount of associated liabilities
Loans	1246,48.08	1181,71.75	3008,43.49	2972,15.50

Net of provision of Rs. 23,94.55 lakhs and Rs.53,48.83 lakhs as at March 31, 2022 and March 31, 2021 respectively.

Note 45
Reconciliation of Movement in Borrowings to cash flows from financing activities

(Rs. in Lakhs)

Particulars	As at April 01, 2021	Cash flows (net)	Exchange difference	Amortisation / EIR adjustments	As at March 31, 2022
Debt securities	12777,85.53	(932,60.92)	-	532,95.45	12378,20.06
Borrowings (Other than debt securities)	25825,50.94	(681,30.95)	51,26.33	28,82.65	25224,28.97
Subordinated liabilities	1008,84.50	(107,45.00)	-	,78.77	902,18.27
Total	**39612,20.97**	**(1721,36.87)**	**51,26.33**	**562,56.87**	**38504,67.30**

Note: Debt securities includes commercial papers for which the discounting charges paid of Rs. 382,40.34 lakhs on the repayment date is shown in the finance cost paid in cash flow statement.

(Rs. in Lakhs)

Particulars	As at April 01, 2020	Cash flows (net)	Exchange difference	Amortisation / EIR adjustments	As at March 31, 2021
Debt securities	9788,06.98	2394,87.26	-	594,91.29	12777,85.53
Borrowings (Other than debt securities)	23291,95.30	2563,21.66	(67,21.50)	37,55.49	25825,50.94
Subordinated liabilities	1365,51.40	(361,00.00)	-	4,33.10	1008,84.50
Total	**34445,53.68**	**4597,08.92**	**(67,21.50)**	**636,79.88**	**39612,20.97**

Note: Debt securities includes commercial papers for which the discounting charges paid of Rs. 656,95.34 lakhs on the repayment date is shown in the finance cost paid in cash flow statement.

Note 46
Impact of COVID-19
Consequent to the outbreak of the COVID-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. This may lead to a rise in the number of borrowers defaults and consequently an increase in corresponding provisions. The extent to which the COVID-19 pandemic, including the current “second wave” that has significantly increased the number of cases in India, will continue to impact the Company's performance will depend on ongoing as well as future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by us.

The Company has assessed the potential impact of COVID-19 on the carrying value of its assets based on relevant internal and external factors / information available, upto the date of approval of these annual financial results. The final impact of this pandemic is very uncertain and the actual impact may be different then that estimated based on the conditions prevailing as at the date of approval of these annual financial results. The management will continue to closely monitor the material changes in the macroeconomic factors impacting the operations of the Company.

Note 47

The Parliament has approved the Code on Social Security, 2020 (the 'Code') which may impact the contribution by the Company towards Provident Fund and Gratuity.The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed after which the financial impact can be ascertained. The Company will complete its evaluation and will give appropriate impact, if any, in the financial results following the Code becoming effective and the related rules being framed and notified.

As per our report of even date attached

For Sudit K. Parekh & Co. LLP
Chartered Accountants
Firm Registration Number: 110512W/W100378

Nemish Kapadia
Partner
Membership No. 111929

Place : Mumbai
Date: May 2, 2022

For and on behalf of the Board of Directors

P. S. JAYAKUMAR
Director
(DIN - 01173236)

P.B. BALAJI
Director
(DIN - 02762983)

SAMRAT GUPTA
Managing Director and
Chief Executive Officer
(DIN - 07071479)

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary

Place: Mumbai
Date: May 2, 2022