

TMF Holdings Limited

A Tata Enterprise

Annual Report F.Y. 2023-24

BOARD OF DIRECTORS

Mr. Nasser Munjee,
Independent Director & Chairman

Mr. P. S. Jayakumar,
Independent Director
(Resigned w.e.f. November 07, 2023)

Mr. N. V. Sivakumar,
Independent Director
(Appointed w.e.f. November 07, 2023)

Mrs. Varsha Purandare,
Independent Director

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

Mr. Shyam Mani,
Non-Executive Director
(Retired w.e.f. September 01, 2023)

Mr. Dhiman Gupta,
Non-Executive Director

Mr. Samrat Gupta,
Non- Executive Director

MANAGER & KMP

Mr. Anand Bang

CHIEF FINANCIAL OFFICER

Ms. Ridhi Gangar

COMPANY SECRETARY

Mr. Vinay Lavannis

STATUTORY AUDITORS

M/s. Sudit K. Parekh & Co. LLP, Chartered Accountants *(Upto September 23, 2024)*

M/s. B. R. Maheswari & Co. *(w.e.f. September 23, 2024)*

CORPORATE IDENTIFICATION 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 6107 0021
Fax: +91 22 6181 5700

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai-400083
Website: www.linkintime.co.in / E-mail Id: prakash.sampat@linkintime.co.in
Tel: +91 22 6656 8484, Fax: +91 22 6656 8494

BANKERS

HDFC Bank Limited
State Bank of India
IDBI Bank
CTBC Bank

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)

TMF HOLDINGS LIMITED

DIRECTORS' REPORT
MARCH 31, 2024

To,
THE MEMBERS
TMF HOLDINGS LIMITED

The Directors feel privileged to present the 18th Annual Report on the business and operations of the company and the statement of accounts for the year ended March 31, 2024.

1. BACKGROUND

TMF Holdings Limited (hereinafter 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) TMF Business Services Limited (Formerly Tata Motors Finance Limited) which does operating lease business and (b) Tata Motors Finance Limited (Formerly Tata Motors Finance Solutions Limited) (TMFL) which has following main lines of business:

1. New Vehicle Finance Business
2. Used Vehicles Finance Business
3. Corporate Lending
4. Insurance Support Services

2. ECONOMIC AND INDUSTRY OVERVIEW

Economic Overview:

Economic Overview:

The global economy exhibits resilience and is likely to maintain its steady growth. IMF expects global growth rate of around 3.2% for both 2024 as well as 2025. Core inflation, supported by favourable baseline effects, is being projected to gradually decline. Stubborn services prices however continue to keep it elevated. Aggregate growth in advanced economies was resilient for most of last year, slowing less than previously expected. IMF estimates emerging economies to grow at a steady rate. Impact of decelerating activity in China is expected to be offset by firming aggregate growth elsewhere, like improving domestic demand in many countries as well as a pickup in international trade.

Indian economy is experiencing a strong momentum. As per the second advance estimates, real GDP expanded at 7.6% in FY24 on the back of buoyant domestic demand. Growth is expected to moderate to 6.2% - 6.5% in FY25 in account of various transient factors. ICRA projects a shallow rate cut cycle rate cut cycle – limited to 50 bps at best, commencing in the Oct-24, with a possible stance change in the preceding

review. It is expected that while the targeted fiscal deficit of Rs. 16.9 trillion for FY25 is unlikely to be overshot, the target of 5.1% of GDP may get surpassed mildly. Further, a dip in Government borrowings programme coupled with bond index inclusion, will dampen G-sec yields in the near term. Rupee ended the year at Rs 83.37 per USD (Mar-23 exit: Rs 82.22) and is expected to trade between 82.5-83.5 mark over the next couple of quarters. Forex reserves stood at about USD 646 bn as at the year end. RBI has indicated in the recent bi-monthly monetary policy exercise that, going forward, food price uncertainties would continue to weigh on the inflation outlook. An expected record rabi wheat production in FY24, however, will help contain cereal prices. Early indications of a normal monsoon also augur well for the kharif season. On the other hand, the increasing incidence of climate shocks remains a key upside risk to food prices.

Automotive Industry overview:

The automotive industry is gaining traction as vehicle manufacturing increases. Increasing corporate interest in tapping into rural markets has been instrumental in driving the expansion of the sector. Surge in logistics and passenger transportation sectors is driving the CV demand. As far as PV segment is concerned, rise in disposable income in the hands of middle-income group has pushed India towards consumption fuelled economic expansion, in turn, has had a favourable impact on the increasing demand for automobiles. The country stands as a notable player in automotive exports, with robust growth prospects anticipated in the coming years. Moreover, various government initiatives like the Automotive Mission Plan 2026, Scrappage Policy, and PLI schemes are poised to elevate India's status to a key global leader in the sector. Auto industry in India is projected to grow at a CAGR of 8.20% between FY24 and FY29. Prospective market growth is expected to be fuelled by emerging trends such as the adoption of EVs and hybrid models. However, the primary challenge for the industry is regulatory compliance and adherence to stringent emissions standards.

ICRA research expects the domestic CV segment's sharp up-cycle to plateau in FY25, with a decline of up to 7% in volumes, given the high base line effect and the impact of the General Elections on infrastructure activities in the first few months of the fiscal year. Sustained slow-down in e-commerce and cannibalisation from e3Ws has a bearing on LCVs. In the long run, demand prospects for domestic CV industry remain contingent on a range of factors, such as the Government's push towards infrastructure spending, monsoon conditions and its impact on the rural economy, government initiatives etc. Domestic wholesale and retail PV volumes closed the financial year on an all-time high, led by utility vehicles. Despite strong retail performance, inventory levels continue to remain high as per projections from dealers' association. With waning pent-up replacement demand, PV segment is expected to grow by 3% - 6% in FY25, aided by steady demand for utility vehicles, which is likely to bolster industry growth despite an elevated base.

NBFC Sector Overview:

The NBFC sector in India has witnessed remarkable transformations since its emergence. Growth in the sector has been driven by various factors, such as a rising middle income group, enhanced financial inclusion, positive policy interventions, favourable regulatory framework to name a few. NBFCs have leveraged digitisation to offer alternative financing options, especially to the MSMEs, which face challenges in obtaining loans from traditional banks. Industry experts believe that with the kind of growth witnessed in the sector and with the efforts put-in to reach USD 7 tn economy by the end of this decade, India's financial

need will rise, creating ample opportunities for NBFCs. Nonetheless, the sector faces significant challenges, especially as banks target the same customer base as NBFCs will require scale, resulting in more intensified competition. NBFCs will also have to explore securitisation, co-origination and co-lending to sustain their competitiveness in this scenario. M&A activity is also likely, with the capacity to alter the dynamics of the sector.

CRISIL research estimates NBFC sector's AUM growth moderating to around 14% - 17% in FY25. Growth is in focus with favourable macro factors like growth in private consumption trending above long-term average and household borrowings rising mainly for investments in physical assets. Micro factors like bolstered provisioning buffers, comfortable gearing and liquidity position along with strengthened capital position from balance sheet side only augurs well in line with the growth focus. Product diversification led growth remains a key strategy. From funding standpoint, diversification becomes imperative especially with the impact of recent changes RBI regulations with respect to unsecured lending being uncertain on bank funding to the sector. This is on the backdrop that share of bank funding in NBFC borrowings was as high as 45% during mid FY24. Thus, broad basing of funding avenues in both debt capital as well as securitisation will continue to be the preferred approach. Partnering with banks will continue to play a major role in driving growth. Both banks and large NBFCs are entering into partnerships with mid as well as small-sized NBFCs, allowing penetration into niche market segments. Similarly, co-lending as a strategy to grow has garnered momentum as portfolio of digital lenders has tripled over the last 2.5 years. AIFs or fee-based models are expected to become the preferred mode of growing into wholesale lending business.

Vehicle finance NBFCs' AUM is expected to cross Rs 8 lac crore by the end of FY25 as per CRISIL research. AUM growth is projected to remain healthy at around 17%-18% in FY25. With higher cost of ownership of new vehicles, increased affordability and customer awareness and improved penetration by organised sector, has resulted in an upsurge in the share of used vehicle (UV) funding, thereby resulting in share of UV AUM over the past 5 years. Asset quality improvement is expected to continue across segments. CV asset quality which has demonstrated significant improvement over the last couple of years is expected to improve further by the end of next fiscal. With NIMs projected to remain stained especially on the back of higher interest cost and flattish credit costs, RoA of vehicle finance NBFCs is expected to remain rangebound in FY25.

As far as TMF is concerned, the year has been a pivotal year with steps taken from fourth quarter of previous fiscal towards sourcing and growing quality book yielding the desired results. Growth witnessed in UV business, focus on diversification, improved yield, reduction in flows, delinquencies and gross NPAs and enhanced credit guardrails have offered significant tailwinds. While, shrinking AUM, low IRR MHCV book, higher cost of borrowings, attrition issues and lukewarm new CV growth have been some of the significant headwinds. The focus during FY24 remained squarely on strengthening risk guard rails to ensure prudent sourcing and targeted collection strategies to reduce delinquencies. Thus, with the right strategy, infrastructure and approach in place, TMF expects to grow with diversification in focus, improve asset solvency further and expand its RoA in FY25.

3. FINANCIAL RESULTS

(Rs. in Crore)

Particulars	F.Y. 2023-24	F.Y. 2022-23
Total Income	168.25	198.95
Less:		
Finance Costs	285.38	251.75
Impairment of financial instruments and other assets	(1.52)	4.63
Employee benefits expenses	0.00	0.00
Other expenses	3.70	4.47
Depreciation / Amortization	0.37	0.39
Profit Before Exceptional Item	(119.68)	(62.29)
Exceptional item	-	-
Profit Before Tax	(119.68)	(62.29)
Less: Tax Expense	-	-
Profit After Tax	(119.68)	(62.29)
Other comprehensive income	-	-
Total comprehensive income for the year	(119.68)	(62.29)
Balance brought forward from previous year (distributable)	(177.44)	28.21
Amount Available for Appropriations	(297.12)	(34.08)
Appropriations		
Statutory Reserve*	-	-
Distributions made to holders of instruments entirely equity in nature	143.35	143.36
Issuance expenses for Perpetual Debentures	-	-
Surplus carried to Balance Sheet	(440.47)	(177.44)

In the absence of profit for FY2024 and FY2023 respectively, the Company was not required to transfer any amount to Statutory Reserve.

4. DIVIDEND

The Company has not declared dividend for FY 2023-24 on Equity Shares and Compulsory Convertible Preference Shares (CCPS) of the Company in view of losses and to retain capital.

5. TRANSFER TO RESERVES

In absence of profit during the financial year, the Company is not required to transfer 20% of the net profit after taxes to Statutory Reserve created 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. 168.25 crore (as against Rs 198.95 for the corresponding period of previous year) and loss before tax of Rs.119.69 crore (loss before tax of Rs 62.29 crores in FY23).

7. PERFORMANCE OF SUBSIDIARIES

Tata Motors Finance Limited (TMFL)

During the financial year 2023-24, new vehicle disbursal volumes took a hit during the first half of FY 2023-24 with disbursals of Rs 3,765 crores as against Rs 6,096 crores for the corresponding period last year. With momentum back in H2 FY24, disbursals stood at Rs 4,980 crores as against Rs 4,620 crores during H2 FY23. Thus, on a full year basis, new vehicle disbursals declined to Rs. 8,745 crores in 2023-24 from Rs. 10,717 crores in FY 2022-23. During the year, the Company financed overall 46,664 units of new vehicles as compared to 68,505 units in FY 2022-23. Commercial Vehicle units financed stood at 44,227 units in FY 2023-24 as compared to 64,304 units in FY 2022-23, while Passenger Vehicle units financed stood at 2,437 units in FY 2023-24 as compared to 4,201 units in FY 2022-23.

Used vehicle disbursals witnessed growth of 20% in the current year stood at Rs 6,200 crores (43,655 units) against Rs 5,170 crores (39,747 units) in the corresponding period last year. Continuous efforts were made to scale up business through direct channel and salahakar sathi and along with attractive incentive schemes which acted as a catalyst for improved performance during the year.

Corporate Lending Group (CLG) book stood at Rs 2,955 as at the end of current financial year as against Rs 3,132 crores for the corresponding period last year.

During the financial year ended March 31, 2024, the Company earned a total income of Rs. 5,005.19 crores as compared with Rs. 4,905.57 crores in FY 2022-23. Profit before tax for the current year came at Rs. 224.15 crores as against loss of Rs. 918.74 crores for the corresponding period last year and profit after tax of Rs. 51.88 crores as against loss after tax of Rs. 939.53 crores for the corresponding period of previous year.

TMF Business Services Limited (TMFBSL)

During the year 2023-24, TMFBSL, a public limited Company was previously registered as a NBFC NDSI under RBI's regulations. After the demerger scheme came into effect from June 30, 2023, the Company has surrendered its NBFC licence. The Company continues as a subsidiary of TMF Holdings Limited. During the year, the Company recorded a total income of Rs. 55.71 crore and loss before tax of Rs.16.69 crore. Loss after tax for the year came at Rs 10.78 crores.

8. FINANCE

The total borrowings as of March 31, 2024 stood at Rs. 3523.48 crore comprising mainly of Non-Convertible Debentures and Inter-Corporate Deposits. The Debt / Equity ratio as on March 31, 2024 was 0.66 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/ Positive	ICRA AA/ Stable	CARE AA+/ Stable
5	Perpetual Bonds	CRISIL AA/ Positive	NA	NA

@ Outlook upgraded w.e.f. February 02, 2024

* Long term rating upgraded w.e.f. March 13, 2024

10. SHARE CAPITAL

The Authorised Share Capital of the Company as on March 31, 2024 was Rs. 3250,00,00,000 (Rupees Three Thousand Two Hundred and Fifty Crore) and Paid-Up Share Capital was Rs.1741,59,34,420/- (Rupees One Thousand Seven Forty One- Crores Fifty Nine Lakhs Thirty-Four Thousand Four Hundred and Twenty) consisting of 17,41,593,442 equity shares of Rs. 10/- each.

11. NUMBER OF MEETINGS OF THE BOARD

Eight (8) 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 forms 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

The Company's comprehensive digital strategy encompasses improving customer experience, engaging channel partners and dealers, collaborating with new age product companies, and supporting customers in their growth journey. By leveraging digital technologies, we aim to transform our value chain and establish ourselves as a preferred and trusted financing partner.

While we aggressively digitize, we are committed to mitigate any organizational risks by prioritizing cybercrime prevention and bolstering information protection measures.

Information Technology (IT) Strategy Committee (ITSC) has been constituted 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 and as amended, pertaining to Information Technology Framework for the NBFC Sector. The Committee approves IT strategy and policy documents and ensures that the management has put an effective strategic planning process in place.

15. HUMAN RESOURCES PRACTICES IN TMF GROUP

Human resources continued to play 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 2023-24 are:

TMF has pushed the Talent Management strategy strongly this year given the high attrition for last few quarters. Below flagship programs for high potentials were launched

- o The Young Banker Program (N-4 Roles) - The learning journey of Young Banker Program for N-4 critical roles has begun in association with SP Jain, Mumbai & this program aims

at imparting critical competencies like Execution Excellence, enhancing financial proficiency, Customer centricity & people leadership skills.

- Aspiring Leaders Program (N-5 Roles) - This program is focused on building critical competencies which will help our first line managers to focus on developing self & managing their teams better.
- TMF strongly advocates triple C -Connect, Celebrate & Care as a part of engagement strategy. Under the three pillars we drive we have embraced Cricket as a sport which binds us together & also promotes fitness amongst employees apart from festival celebrations & employee connect.
- Employee safety continuous to be the priority. Various safety initiatives were undertaken including periodic health check-ups, reinforcing strict road safety guidelines, fire safety training, etc.
- Career development opportunities were widened for employees. Publishing the vacancy on internal job posting "Aspire" was made mandatory for all N-3 (three levels below MD&CEO) roles before hiring externally.

16. COMPLIANCE & REGULATORY FRAMEWORK

The Company has complied with all applicable laws, rules, regulations, guidelines, including the regulations and it does not carry on any business or activity other than as permitted by RBI. Company has neither accepted, nor will it accept any public deposits during the financial year 2023-24.

The Company is registered with the RBI as a Core Investment Company (CIC) and is required to comply with RBI regulations including Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 (CIC Directions), as amended from time to time. The RBI vide its notification dated October 22, 2021 has introduced an integrated regulatory framework for NBFCs under "Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs". The RBI has replaced the erstwhile Master Direction and issued Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023 on October 19, 2023. These Master Directions encompasses different facets of regulation of NBFCs covering capital requirements, governance standards, prudential regulation, etc. Under SBR, NBFCs are divided into four layers viz., top layer, upper layer, middle layer and base layer based on the size, activity, and perceived riskiness. The Company is in the middle layer (NBFC-ML).

The Company shall continue to ensure compliance with all the requirements applicable to NBFC-ML under SBR within the prescribed timelines.

The compliance requirements across various department are communicated comprehensively to all through regular communications. The company uses web-based tool as a repository of compliance tasks which are updated as and when new compliances are announced by regulators. The compilations of these reports are reviewed by the Audit Committee at its quarterly meetings.

The NCDs issued by the Company on a private placement basis are listed on the National Stock Exchange of India Limited. SEBI vide its notification no. SEBI/LAD-NRO/GN/2021/47, issued on September 7, 2021, amended the SEBI Listing Regulations and made Regulations 15 to 27 applicable to the Debt Listed

Companies having an outstanding value of listed Non-Convertible debt securities of Rs. 500 crore and above i.e. High Value Debt Listed Entity (“HVDLE”). Accordingly, Company has been classified as a HVDLE and complied with the aforementioned Regulations applicable to the Company.

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 2023-24 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, 2024 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 Rs. 79,794.68/-.

22. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, the Company has appointed Mr. N. V. Sivakumar (DIN: 03534101) as an Additional Director designated as Independent Director of the Company with effect from November 07, 2023 based on the recommendation of Nomination and Remuneration Committee. The said appointment has been approved by the shareholders of the Company at the Extra Ordinary General Meeting held on January 24, 2024.

Mr. Nasser Munjee (DIN: 00010180), Independent Director has been re-appointed for a second term from June 09, 2023 till November 18, 2027.

Mr. P. S. Jayakumar (DIN: 01173236), Independent Director has been re-appointed for a second term of five years commencing from July 10, 2023. However, he has tendered his resignation from the Board with effect from November 07, 2023 due to personal reasons.

As per Tata Corporate Governance Guidelines, Mr. Shyam Mani retired as a Non- Executive Director of the Company with effect from September 01, 2023.

The Board places on record their sincere appreciation for the valuable contribution/ guidance/ services rendered by them during their tenure.

In accordance with the requirements of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Dhiman Gupta (DIN: 09420213), Non- Executive Director, 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, 2023, the Key Managerial Personnel (KMP) of the Company were Mr. Anand Bang, Manager, 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, considering the views of 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.

The performance of the Board, its committees, and individual directors was discussed at the Board Meeting. Performance evaluation of Independent Directors was done by the entire board, excluding the Independent Director.

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 on continuous basis, pursuant to the RBI Master Directions for NBFCs.

25. INTERNAL AUDIT FUNCTION

The Company has ability to take risks and manage them efficiently is a key factor of business success. The Company 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 is an integral part of the corporate governance structure and 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 the RBI Guidelines to NBFC to enhance the quality and effectiveness of their internal audit systems and processes. Duly approved by Audit Committee of the Board and Senior Management, the framework 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. The Risk Based Internal Audit Plan for Zones, Process and IS Audits have been built using risk assessment models which capture and quantify inherent risks, control risks and additional quantitative parameters as per the mandate of RBI. The Risk Based Internal Audit policy demarcates the roles and responsibility of three lines of defence and provides guidance on all steps of the audit life cycle including rating of observations and reports.

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 the Managing Director & CEO of TMFL. 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 meets the Chief Internal Auditor at least once in a quarter without the presence of the MD or Senior Management. 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 through Action Taken Report (ATR).

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, 2024.

27. RISK AND CONCERNS OF TMF GROUP AND SUBSIDIARY COMPANIES

The company has been proactively enhancing its Risk Management Framework in response to its business growth. This involves a thorough, consistent review of all critical risks through its enterprise risk management framework, led by the Risk Management Committee. The Company acknowledges its engagement with diverse customer profiles and has developed a rigorous, adaptive credit appraisal process to manage regulatory changes effectively.

The Asset Liability Supervisory Committee plays a crucial role in ensuring assets and liabilities are properly aligned, while the Risk Management Committee offers a comprehensive review of the company's risk portfolio, regularly discussed with the Board of Directors. Efforts to standardize credit underwriting have led to the refinement of the Risk Scoring Model for multiple vehicle buyers and innovations in the Risk Scoring

and Pricing Model (RSPM) for retail customers, incorporating bureau data-driven decisions into the credit appraisal matrix.

The Company's credit system is robust and flexible, designed to comply with the evolving regulations of the financial sector. The Company employs strategies and models to manage overdue accounts, regularly assesses its portfolio, and has established a system to monitor potential credit losses each month. Recent initiatives also include modernizing the Credit Policy with new age lending practices and incorporating APIs to enhance customer experience and minimize fraud. This is expected to be implemented in FY'25.

Investment in analytics and human capital is a testament to our commitment to minimizing manual decision-making processes. The company's analytics team, equipped with advanced tools and software, continuously improves statistical models and analyses, enhancing portfolio performance and refining sourcing and collection strategies.

The Company face challenges in the competitive and volatile market, especially in financing used vehicles and extending credit to TML Dealers & Vendors. The company actively manages risk with its updated credit evaluation and a clear process for approving loans, tackling specific challenges in these areas.

Overall, the strategic risk management initiatives ensure its leading position in risk management, contributing to the company's stability, integrity, and sustainable growth in the financial services market.

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
- Compliance risk

Over the years, the risks pertaining to financial, strategic risk and compliance 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 through 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 revamped the ERM, ORM and Financial Outsourcing Risk Management framework in FY 23-24 and executed the same through a well-defined approach document . As a part of revamp exercise, the risk types were optimized and revised scientific scoring mechanism for the Risk Heat Map has been adopted along with key risk indicators being updated for monitoring and wider coverage. Further, the Company has also adopted the ICAAP policy in line with the regulatory requirement. As a part of ICAAP assessment, consolidated evaluation of TMFL and TMFBSL merged entity was carried out and presented to the board. Regulatory directives on Outsourcing of Information Technology Services has been adopted

and implemented through a robust framework of service provider categorization and their monitoring guided by a well-defined approach document.

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 as guided by policies pertaining to Consequence Management, Anti Bribery and Corruption, Conflict of Interest etc. 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

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 until the conclusion of the Annual General Meeting of the Company to be held in the year 2024.

Considering the retirement of M/s. Sudit K Parekh & Co. LLP, existing auditors of the Company, the Board has recommended the appointment of M/s. B. R. Maheswari & Co LLP, Chartered Accountants (Firm Registration No. 001035N/ N500050) as the Statutory Auditor of the Company for a period of three years from the conclusion of the ensuing Annual General Meeting (AGM) until the conclusion of the AGM to be held in the year 2027, subject to approval of shareholders.

32. SECRETARIAL AUDITORS

The Company has appointed M/s.SG & Associates, Practicing Company Secretary as Secretarial Auditors 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. 2024-25. Secretarial Audit report issued by M/s. SG & Associates, Practicing Company Secretary, forming part of the Directors' Report for the year ended March 31, 2024 is enclosed as "Annexure 1" 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 F.Y. 2023-24. Further, the secretarial audit report also does not contain any qualifications, reservations, or adverse remarks or disclaimer for the F.Y. 2023-24.

34. INFORMATION ON MATERIAL CHANGES AND COMMITMENTS

There are no material changes or commitments affecting the financial position of the Company which have occurred upto 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 2" 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 Manager / 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, 2024
- Declaration by Manager 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 2023-24. 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

The Company has accelerated its journey towards industry leadership by implementation of multiple new initiatives under its Pinnacle Program – TMF Business Industry Leadership Framework in Year 2023-24. The Company continued its normal Pinnacle Program activities and strived to put in place newer dimensions

of TBEM Framework. There has been changes in TBEM Criteria effected by Tata Business Excellence Group and these were understood by TMF and their implementation commenced in March 2024. During the year 2023-24, TMF continued its focus of process excellence and process improvements in addition to focus in keeping abreast with enhancements of Business Excellence Framework.

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 2023-24 of the Company is also available on the website of the Company, www.tmf.co.in.

40. SCHEME OF ARRANGEMENT AMONGST TATA MOTORS FINANCE LIMITED (TMFL) WITH TATA CAPITAL LIMITED (TCL)

The Board of Directors of TMFL at its Meeting held on June 04, 2024, has approved a Scheme of Arrangement for amalgamation of TMFL with and into Tata Capital Limited (TCL) and their respective shareholders, under Sections 230 to 232 read with Section 52 and Section 66 and other applicable provisions of the Act and the Rules made thereunder.

The Scheme of Arrangement will become effective, from the Appointed Date i.e. April 1, 2024 and will be operative from Effective Date which is conditional upon fulfilment of all the conditions set out inter alia, in the Scheme of Arrangement, approval of the Scheme of Arrangement by the NCLT, requisite approvals of respective shareholders and creditors of TMFL and TCL, as applicable, and as may be directed by the NCLT, and upon the receipt of other applicable regulatory approvals.

Upon the Scheme becoming effective:

(i) The entire business of TMFL including all the assets, liabilities and undertakings of TMFL will stand transferred and vested in TCL and thereafter TCL will carry on all the business activities undertaken by TMFL.

(ii) Equity shares of TCL would be issued to equity shareholders of TMFL as per the Exchange Ratio determined based on the Valuation Reports and the Fairness Opinions obtained by TCL and TMFL.

(iii) The holders of NCDs of TMFL will become the holders of NCDs of TCL on the same terms, including the coupon rate, tenure, redemption price, quantum, nature of security, adequately safeguarding the interest of the NCD holders.

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, TMF Business Services 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 02, 2024

**FORM NO. MR 3****SECRETARIAL 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 31st March, 2024

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 31st March, 2024 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 the Company for the financial year ended on 31st March, 2024 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, as amended from time to time.

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) and

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.

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 Manager & KMP, 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.

- Mr. Shyam Mani ceased to be Non- Executive Director w.e.f. 01-09-2023 due to retirement.
- Mr. P. S. Jayakumar ceased as an Independent Director w.e.f. 07-11-2023 due to resignation.
- Mr. N. V. Sivakumar was appointed as an Independent Director w.e.f. 07-11-2023.

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.

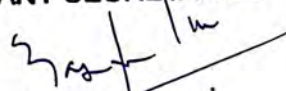


We further report that during the audit period following events have occurred in the company:

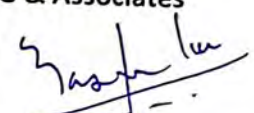
- Annual General Meeting was held on 1st August, 2023 for the Financial Year 2022-23.
- Extra Ordinary General meeting was held on 24th January 2024 wherein approval of shareholders was obtained for Issuance of Non- Convertible Debentures on Private Placement Basis and Regularisation of appointment of Mr. N.V. Sivakumar as an Independent Director.

Date: 02.05.2024
Place: Mumbai

For S G & ASSOCIATES
COMPANY SECRETARIES


SUHAS GANPULE
ACS NO. 12122
CP NO. 5722
PROPRIETOR

For SG & Associates



Suhas Ganpule
Proprietor

Practicing Company Secretary
Membership No A12122

C. P. No 5722

UDIN: A012122F000293568



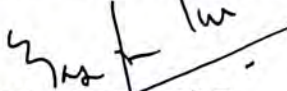
Annexure 'A'

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 S G & ASSOCIATES
COMPANY SECRETARIES**


**SUHAS GANPULE
ACS NO. 12122
CP NO. 5722
PROPRIETOR**

**For SG and Associates
Practicing Company Secretaries**


**Suhas Ganpule
Proprietor**

Membership No: A12122

C. P No: 5722

UDIN: A012122F000298568



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. 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, 2024, the Company has Six (6) Directors viz. Mr. Nasser Munjee, Chairman & Independent Director, Mr. N. V. Sivakumar, Independent Director, Mrs. Varsha Purandare, Independent Director, Mr. P. B. Balaji, Non-Executive Director, Mr. Dhiman Gupta, Non- Executive Director and Mr. Samrat Gupta, Non- Executive Director. Mr. P. S. Jayakumar has resigned as an Independent Director with effect from November 07, 2023. Mr. N. V. Sivakumar has been appointed as an Independent Director of the Company w.e.f. November 07, 2023. Mr. Shyam Mani has retired as a Non- Executive Director w.e.f. September 01, 2023.

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 and 152 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, 2024 have been made by the Directors. None of the Director 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. 8 (Eight) 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 13, 2023, May 02, 2023, June 23, 2023, July 20, 2023, October 25, 2023, November 07, 2023, January 24, 2024 and February 13, 2024. 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, 2024 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 2023-2024	Whether attended last AGM held on August 01, 2023 (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	8	Yes	2	4	3	3	1. Cummins India Limited (ID) 2. The Indian Hotels Company Limited (ID) Debt Listed Companies: 3. Tata Motors Finance Limited (Formerly Tata Motors Finance Solutions Limited) (ID)
Mr. N. V. Sivakumar (DIN: 03534101)	Independent	3	No	0	2	0	3	Debt Listed Companies: 1. Tata Motors Finance Limited (Formerly Tata Motors Finance Solutions Limited) (ID)
Mrs. Varsha Purandare (DIN: 05288076)	Independent	8	Yes	0	7	4	6	1. Deepak Fertilizers and Petrochemicals Corporation Ltd. (ID) 2. Orient Cement Limited (ID) 3. The Federal Bank Ltd (ID) Debt Listed Companies: 4. Tata Motors Finance Limited (Formerly Tata Motors Finance Solutions Limited) (ID) 5. Tata Capital Limited (ID)
Mr. P. B. Balaji (DIN: 02762983)	Non-Executive	7	Yes	2	6	0	3	1. Tata Consumer Products Limited (NED) 2. Tata Technologies Limited (NED)

								Debt Listed Companies: 3. Tata Motors Finance Limited (Formerly Tata Motors Finance Solutions Limited) (ID)
Mr. Dhiman Gupta (DIN: 09420213)	Non-Executive	8	Yes	0	3	0	1	Debt Listed Companies: 1. Tata Motors Finance Limited (Formerly Tata Motors Finance Solutions Limited) (ID)
Mr. Samrat Gupta DIN: 07071479	Non-Executive	8	Yes	0	1	0	1	Debt Listed Company: 1. Tata Motors Finance Limited (Formerly Tata Motors Finance Solutions Limited) (ID)

Notes:

Mr. N. V. Sivakumar (DIN: 03534101) has been appointed as an Independent Director with effect from November 07, 2023.

Mr. P. S. Jayakumar (DIN: 01173236), Independent Director has resigned with effect from November 07, 2023.

Mr. Shyam Mani (DIN: 00273598), Non- Executive Director has retired from the Board w.e.f. September 01, 2023.

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

Table Key: NED –Non-Executive Director, ID-Independent Director

Change in composition of the Board during the current and previous financial year

Sr No	Name of Director	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective Date
1	N. V. Sivakumar	Independent Director	Appointment	07-11-2023
2	P. S. Jayakumar	Independent Director	Resignation	07-11-2023
3	Shyam Mani	Non- Executive Director	Retirement	01-09-2023
4	Samrat Gupta	Non- Executive Director	Change in designation	24-05-2022

5	Dhiman Gupta	Non- Executive Director	Appointment	24-05-2022
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- vi. During FY 2023-24, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.
- vii. On the date of this report, 1 [One] meeting of the Independent Directors was held on May 25, 2023.
- 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, 2024 are given below:

Name of Director	Category of Director	Number of Equity shares
Mr. Nasser Munjee (Chairman) (DIN: 00010180)	Independent	Nil
Mr. N. V. Sivakumar (DIN: 03534101)#	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. Dhiman Gupta (DIN: 09420213)	Non-Executive	One Equity share jointly with Tata Motors Limited
Mr. Samrat Gupta (DIN: 07071479)	Non- Executive	Nil

Appointed w.e.f. November 07, 2023.

- 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. N. V. Sivakumar #	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. Samrat Gupta	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Dhiman Gupta	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Appointed w.e.f. November 07, 2023.

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.

i) Audit Committee

As on March 31, 2024, the Audit Committee comprises of Two (2) Independent Directors viz. Mr. N. V. Sivakumar (Chairman), Mrs. Varsha Purandare and One (1) Non-Executive Director, Mr. P. B. Balaji.

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.

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;
- 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 financial statement 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, Six (6) meetings were held on April 24, 2023, May 02, 2023, July 20, 2023, September 18, 2023, October 25, 2023 and January 24, 2024. The composition of the Audit committee and the attendance of its members at its meetings held during FY 2023-24 are given below:

Name of Member	Member since	Category	No. of Meetings	
			Held	Attended
Mr. N. V. Sivakumar ⁱ	07/11/2023	Independent Director (Chairman)	1	1
Mr. P. S. Jayakumar ⁱⁱ	10/07/2020	Independent Director	5	5
Mrs. Varsha Purandare	16/06/2021	Independent Director	6	6
Mr. P. B. Balaji	29/01/2018	Non-Executive Director	6	5

i. Appointed as a Chairman and Member w.e.f. November 07, 2023.

ii. Stepped down as a Chairman and member w.e.f. November 07, 2023.

The Board has accepted all the recommendations made by the Audit Committee during the year. The invitees for Audit Committee meetings are Manager, Statutory Auditors, Chief Internal Auditor of the Company and Tata Motors Limited, Chief Financial Officer (CFO) and Company Secretary. However, the Manager and CFO participate only on the items where Audit Committee requires any explanation to ensure its independence. 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 Audit Committee of the Board meets the Head Internal Auditor at least once in a quarter without the presence of the Senior Management.

The previous AGM of the Company was attended by Mr. P. S. Jayakumar, Chairman of the Audit Committee (upto November 07, 2023).

ii) 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 and 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 on March 31, 2024, the Nomination and Remuneration Committee comprises of Three (3) Directors namely Mrs. Varsha Purandare (Chairperson), Mr. Nasser Munjee, Independent Directors and Mr. P. B. Balaji, Non-Executive Director.

During FY 2023–24, Five (5) meetings of the NRC were held on May 25, 2023, June 23, 2023, October 25, 2023, November 07, 2023 and January 24, 2024. The composition of the NRC and the attendance of its members at its meetings held during FY 2023-24 are given below:

Name of the member	Member since	Category	No. of meetings	
			Held	Attended
Mrs. Varsha Purandare ⁱ	07/11/2023	Independent Director (Chairperson)	1	1
Mr. P. S. Jayakumari ⁱⁱ	16/06/2021	Independent Director	4	4
Mr. Nasser Munjee	20/06/2020	Independent Director	5	5
Mr. P. B. Balaji	29/01/2018	Non-Executive Director	5	5

- i. Appointed as a Chairperson and Member w.e.f. November 07, 2023.
- ii. Stepped down as Chairman and Member w.e.f. November 07, 2023.

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 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/investorzone.

The previous AGM of the Company was attended by Mr. P. S. Jayakumar, Chairman of the Nomination and Remuneration Committee (upto November 07, 2023).

iii) **Risk Management Committee (RMC)**

The Risk Management Committee of Directors manages the integrated risks of the Company. As of March 31, 2024, Risk Management Committee comprises Five (5) Directors namely Mrs. Varsha Purandare (Chairperson), Mr. N. V. Sivakumar, Independent Directors, Mr. P. B. Balaji, Mr. Dhiman Gupta and Mr. Samrat Gupta, Non- Executive Directors.

During FY 2023-24, Four (4) meetings of the RMC were held on June 20, 2023, September 26, 2023, December 21, 2023 and March 27, 2024. The composition of the RMC and the attendance of its members at its meetings held during FY 2023-24 are given below:

Name of Member	Member since	Category	No. of Meetings	
			Held	Attended
Mrs. Varsha Puranadre	16/06/2021	Independent Director (Chairperson)	4	4
Mr. P.S. Jayakumar ⁱ	10/07/2020	Independent Director	2	2
Mr. N. V. Sivakumar ⁱⁱ	07/11/2023	Independent Director	2	2
Mr. P. B. Balaji	29/01/2020	Non-Executive Director	4	4
Mr. Shyam Mani ⁱⁱⁱ	29/01/2020	Non-Executive Director	1	1
Mr. Dhiman Gupta	24/06/2022	Non-Executive Director	4	3
Mr. Samrat Gupta	11/05/2021	Non-Executive Director	4	4

- i. Stepped down as a Chairman and member w.e.f. November 07, 2023.
- ii. Appointed as a Member w.e.f. November 07, 2023.
- iii. Stepped down as a Member w.e.f. September 01, 2023.

iv) Asset Liability Supervisory Committee (ALCO)

The Asset Liability Supervisory Committee of Directors oversees the implementation of the Asset Liability Management system, Liquidity & Asset Liability management and periodically reviews its functioning.

As of March 31, 2024, Asset-Liability Supervisory Committee comprises Eight (8) Members namely Mr. Samrat Gupta (Chairman) and Mr. Dhiman Gupta, Non-Executive Directors, Mr. Anand Bang, Manager, Ms. Ridhi Gangar, Chief Financial Officer, Mr. Neeloy Majumder, Chief Operating Officer- Technology, Mr. Rohit Sarda, Chief Credit & Collections Officer, Mr. Amit Mittal, Chief Risk Officer and Mr. Rohit Kumar, Head – Treasury.

During FY 2023-24, Five (5) meetings of the ALCO were held on June 20, 2023, September 20, 2023, December 21, 2023, February 13, 2024 and March 28, 2024. The composition of the ALCO and the attendance of its members at its meetings held during FY 2023-24 are given below:

Name of Member	Member Since	Category	No. of Meetings	
			Held	Attended
Mr. Samrat Gupta	11/05/2021	Non- Executive Director (Chairman)	5	5
Mr. Dhiman Gupta	24/06/2022	Non- Executive Director	5	5
Ms. Ridhi Gangar	01/08/2020	Chief Financial Officer	5	5
Mr. Anand Bang	22/11/2022	Manager	5	4
Mr. Neeloy Majumder	22/11/2022	Chief Operating Officer- Technology	5	5
Mr. Rohit Sarda	22/11/2022	Chief Credit & Collections Officer	5	5
Mr. Amit Mittal	22/11/2022	Chief Risk Officer	5	5
Mr. Rohit Kumar	22/11/2022	Head- Treasury	5	5

v) 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, 2024, the Corporate Social Responsibility (CSR) Committee comprises of Three (3) Directors namely Mr. Nasser Munjee (Chairman), Mr. N. V. Sivakumar, Independent Directors and Mr. Samrat Gupta, Non- Executive Director.

During FY 2023-24, 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.

vi) **Stakeholders Relationship Committee (SRC)**

The Company has constituted Stakeholders Relationship Committee to consider and resolve the grievances of security holders of the Company.

As on March 31, 2024, Stakeholders Relationship Committee (SRC) comprises of Three (3) members namely Mr. Nasser Munjee (Chairman), Mr. N. V. Sivakumar, Independent Directors and Mr. Samrat Gupta, Non- Executive Director.

During FY 2023-24, Two (2) meetings of the SRC were held on July 20, 2023 and February 13, 2024. The composition of the SRC and the attendance of its members at its meeting held during FY 2023-24 are given below:

Name of Member	Member since	Category	No. of Meetings	
			Held	Attended
Mr. Nasser Munjee	12/11/2021	Independent Director (Chairman)	2	2
Mr. N. V. Sivakumar ⁱ	07/11/2023	Independent Director	1	1
Mr. Shyam Mani ⁱⁱ	12/11/2021	Non-Executive Director	1	1
Mr. Samrat Gupta	12/11/2021	Non- Executive Director	2	2

- i. Appointed as a Member w.e.f. November 07, 2023.
- ii. Stepped down as a Member w.e.f. September 01, 2023.

The previous AGM of the Company was attended by Mr. Nasser Munjee, Chairman of the Stakeholders Relationship Committee.

Stakeholders Relationship Committee – other details

In accordance with Regulation 6 of the Listing Regulations, the Board has appointed Mr. Vinay Lavannis, Company Secretary as the Compliance Officer.

- 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: 022 61070021
Email: vinay.lavannis@tmf.co.in

- b. Details of Investor Complaints received and redressed during FY 2023-2024 are as follows:

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

vii) Information Technology (IT) Strategy Committee (ITSC)

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, 2024, the IT Strategy Committee (ITSC) comprises of Four (4) members namely Mrs. Varsha Purandare (Chairperson), Mr. N. V. Sivakumar, Independent Directors, Mr. P. B. Balaji, Non- Executive Director and Mr. Neeloy Majumder, Chief Operating Officer- Technology (COO). Mr. Samrat Gupta (Non- Executive Director), Mr Anand Bang (Manager), Ms. Ridhi Gangar (CFO) and Mr. Ramesh Chandra (CIO) are permanent invitees for the meetings of ITSC.

During FY 2023-24, Two (2) meetings of the ITSC were held on June 05, 2023 and November 20, 2023. The composition of the ITSC and the attendance of its members at its meeting held during FY 2023-24 are given below:

Name of Member	Member since	Category	No. of Meetings	
			Held	Attended
Mrs. Varsha Purandare	12/11/2021	Independent Director (Chairperson)	2	2
Mr. N. V. Sivakumar ⁱ	07/11/2023	Independent Director	1	1
Mr. P. S. Jayakumar ⁱⁱ	12/11/2021	Independent Director	1	1
Mr. P. B. Balaji	12/11/2021	Non-Executive Director	2	1
Mr. Shyam Mani ⁱⁱⁱ	12/11/2021	Non-Executive Director	1	1
Mr. Neeloy Majumder	22/11/2022	Chief Operating Officer- Technology	2	2

- Appointed as a Member w.e.f. November 07, 2023.
- Stepped down as a Member w.e.f. November 07, 2023.
- Stepped down as a Member w.e.f. September 01, 2023.

IV. Details of the Remuneration for the year ended March 31, 2024:

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 2023-24. Details of Sitting Fees and remuneration paid are given below:

Name of Director	Sitting Fees paid for attending Board and Committee Meetings during FY 2023-24 (Rs.)
Mr. Nasser Munjee	6,40,000/-
Ms. Varsha Purandare	9,40,000/-
Mr. N. V. Sivakumar*	3,20,000/-
Mr. P. S. Jayakumar*	7,90,000/-
Mr. Shyam Mani*	2,90,000/-

Notes:

*Mr. N.V. Sivakumar has been appointed as an Independent Director w.e.f. November 07, 2023.

*Mr. P. S. Jayakumar has resigned as an Independent Director w.e.f. November 07, 2023.

*Mr. Shyam Mani has retired from the Board w.e.f. September 01, 2023.

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.

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. 2022-23	Tuesday, August 01, 2023	4.30 P.M.	Meeting held through video conferencing facility. Deemed venue was registered office of the Company	Yes
F.Y. 2021-22	Friday June 24, 2022	04.00 P.M.	Meeting held through video conferencing facility. Deemed venue was registered office of the Company.	Yes
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

b. **Extraordinary General Meeting:**

Details of Extraordinary general meeting of the members held during FY 2023-24 are as under:

Date of EGM held during FY 2023-24	Time	Venue	Whether special resolution passed
Wednesday, January 24, 2024	4.30 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 MsSGandAssociates, 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.

The details of fees paid by the Company to Statutory during the FY 2023-24 are as under:

(Rs. In lakhs)

Sr. No.	Auditors Remuneration (excluding taxes)	FY 2023-24
1.	As auditors - statutory audit	17.60
2.	Tax audit	1.86
3.	For other services	7.30
4.	Reimbursement of out of pocket expenses	0.43
	Total	27.19

VII. 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 approved policy for related party	www.tmf.co.in

		transactions is uploaded on the website of the Company.	
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. The said policy has been uploaded on the website of the Company.	www.tmf.co.in
Discretionary requirements	Schedule II Part E of the SEBI Listing Regulations	<ul style="list-style-type: none"> 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 Manager. Mr. Nasser Munjee is an Independent Director and not related to Mr. Anand Bang, Manager. 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, 2024. The Annual Report of the Company contains a certificate by the Manager & KMP, on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.	www.tmf.co.in
Terms of Appointment of Independent Directors	Regulation 62 (1A) of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act	Terms and conditions of appointment/re-appointment of Independent Directors are available on the Company's website.	www.tmf.co.in
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 I 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

VIII. Means of Communication

The quarterly, half-yearly and annual financial results of the Company are published in leading newspaper in India, The Free Press Journal (English newspaper). The results are also

displayed on the Company's website i.e. [www.tmf.co.in/investor zone/TMFHLfinancial results](http://www.tmf.co.in/investor%20zone/TMFHLfinancial%20results). 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.

IX. General shareholder information

i. Annual General Meeting for FY 2023-24

Date: September 23, 2024

Time: 11.00 a.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 Exchange:

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 2023-24 to the National Stock Exchange (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:

Link Intime India Private Limited

C-101, 1st Floor, 247 Park

L.B.S. Marg, Vikhroli (West)

Mumbai - 400083

Tel: +91-22-49186000

Fax: +91-22-49186060

Email : prakash.sampat@linkintime.co.in

Website : www.linkintime.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 Link Intime India Private Limited:

Place	Name and Address	Phone / Fax / Email
Mumbai	Registered Office Link Intime India Private Limited C-101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai – 400083	Tel: +91-22-49186000 Fax: +91-22-49186060 Email : prakash.sampat@linkintime.co.in Website : https://www.linkintime.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 statutes. All requests for transfer and/or dematerialization of securities held in physical form, if any, should be lodged with the office of the Company's Registrar & Share Transfer Agent, Link Intime India Private Limited, Mumbai or at their branch offices or at the registered office of the Company for dematerialization. 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, 2023 to March 31, 2024 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. Shareholders as on March 31, 2024:

a. Distribution of equity shareholding as on March 31, 2024: Not Applicable as Equity shares are not listed

b. Categories of equity shareholding as on March 31, 2024

Category	Number of equity shares held	Percentage of holding
Promoters	1,741,593,442	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	1,741,593,442	100

c. Top ten equity shareholders of the Company as on March 31, 2024:

Sr. No	Name of the Shareholder	Number of shares held	Amt paid up (Rs)	Percentage of shareholding
1	Tata Motors Limited	1,741,593,436	17,415,934,360	100
2	Tata Motors Limited J/W Mr. P. B. Balaji	1	10	–
3	Tata Motors Limited J/W Mr. Dhiman Gupta	1	10	–
4	Tata Motors Limited J/W Mr. Maloy Kumar Gupta	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		1,741,593,442	17,415,934,420	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, 2024 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 61A of 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 transferred amount Rs. 6,558 to IEPF during the year for which IEPF-01 form was filed by the Company.

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 forms part of the Board Report.

On behalf of the Board of Directors of

TMF HOLDINGS LIMITED

NASSER MUNJEE
Chairman

DIN: 00010180

Date: May 02, 2024

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

I, Anand Bang, Manager and KMP 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 2023-24.

For TMF HOLDINGS LIMITED

ANAND BANG
Manager

Date: May 02, 2024

Place: Mumbai

MANAGER /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, 2024

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March 2024 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 2024 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.

ANAND BANG
Manager

RIDHI GANGAR
Chief Financial Officer

Date: May 02, 2024

Place: Mumbai



AUDITORS' CERTIFICATE 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, 2024 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, 2024, 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, 2024.

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.

Place: Mumbai
Date: May 02, 2024

For S G & ASSOCIATES
COMPANY SECRETARIES

SUHAS GANPULE
ACS NO. 12122
CP NO. 5722
PROPRIETOR

For S G & Associates
Practicing Company Secretary

Suhas S. Ganpule
Proprietor

Membership No: 12122

CP No: 5722

UDIN No: A012122F000293546



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(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, 4THFLOOR, SIR H.C. DINSHAW BUILDING
16, HORNIMAN CIRCLE, FORT,
MUMBAI-400001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **TMF Holdings Limited** having CIN U65923MH2006PLC162503 and having registered office at 14, 4th Floor, Sir H.C. Dinshaw Building 16, Horniman Circle, Fort, Mumbai Maharashtra - 400001 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have 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 other Statutory Authority.

Name of the Director	DIN
Mr. Nasser Mukhtar Munjee	00010180
Mr. Narumanchi Venkata Sivakumar	03534101
Mrs. Varsha Vasant Purandare	05288076
Mr. Pathamadai Balachandran Balaji	02762983
Mr. Dhiman Gupta	09420213
Mr. Samrat Gupta	07071479

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the



Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SG & Associates
Practicing Company Secretaries

For S G & ASSOCIATES
COMPANY SECRETARIES

SUHAS GANPULE
ACS NO. 12122
CP NO. 5722
PROPRIETOR


Suhas Ganpule
Proprietor

Membership No: A12122

C. P. No: 5722

UDIN: A012122F000293469

Date: May 02, 2024
Place: Mumbai

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 amount in Rs for the F.Y. 2023-24)

Tata Motors Finance Limited (Formerly Tata Motors Finance Solutions Limited):

(Rs. in Lakhs)

Sl. No.	Particulars	Details
1	Name of the subsidiary	Tata Motors Finance Limited (Formerly known as 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	4969,39.18
6	Reserves & surplus	1604,84.99
7	Total assets	38567,17.78
8	Total Liabilities	31992,93.61
9	Investments	2530,75.45
10	Turnover*	4954,26.22
11	Profit / (loss) before taxation	224,14.72
12	Provision for taxation	172,26.86
13	Profit / (loss) after taxation	51,87.86
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.

TMF Business Services Limited (Formerly Tata Motors Finance Limited):

(Rs. in Lakhs)

Sl. No.	Particulars	Details
1	Name of the subsidiary	TMF Business Services Limited (Formerly 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	37,22.71
6	Reserves & surplus	(9,91.62)
7	Total assets	313,54.24
8	Total Liabilities	286,23.15
9	Investments	-
10	Turnover*	50,42.32
11	Profit / (loss) before taxation	(16,69.04)
12	Provision for taxation	(5,90.93)
13	Profit / (loss) after taxation	(10,78.11)
14	Proposed Dividend	0
15	Extent of shareholding (in percentage)	98.14%

*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 2024
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	Investment in equity shares of Rs. 2,65.87 Lakhs and investment in optionally convertible zero coupon bonds of Rs. 835 lakhs. During the year ended March 31, 2024, the Company has written off the investments which were fully provided.
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 02, 2024

**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, 2024, 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 material 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, 2024, and its consolidated loss 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.

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,	<ul style="list-style-type: none">• 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

Independent Auditor's Report (Continued)

TMF Holdings Limited

<p>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.</p> <p>We have focused on user access management, change management, interface controls and system application controls over key financial accounting and reporting systems.</p>	<p>rights, new user creation, modification, removal of user rights, user access review and preventative controls designed to enforce segregation of duties.</p> <ul style="list-style-type: none"> • 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/ modified, we evaluated the program development/ modification related controls to determine whether adequate controls have been established to ensure that system implemented/ modification was authorized, tested, approved. We evaluated the IT audit report in order to understand the steps taken by the management towards rectification of the identified issues.
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<p>1. Impairment of Loans to Customers in Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited) Gross loans: INR 32,46,017.33 lakhs for year ended March 31, 2024 Provision: INR 1,35,013.43 lakhs as at March 31, 2024</p>	
<p>Subjective estimate:</p> <p>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:</p> <ul style="list-style-type: none"> • 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. 	<p>Key audit procedures included:</p> <p>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.</p> <p><i>Key aspects of controls testing involved the following:</i></p> <ul style="list-style-type: none"> • 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.

Independent Auditor's Report (Continued)

TMF Holdings Limited

<ul style="list-style-type: none"> • 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 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. These adjustments are inherently uncertain and significant management judgement is involved in estimating these amounts. <p>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. 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.</p> <p>Disclosures</p> <p>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.</p>	<ul style="list-style-type: none"> • Testing the design and operating effectiveness of the key controls over the application of the staging criteria. • 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. <p>Test of details Key aspects of testing included:</p> <ul style="list-style-type: none"> • 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, 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 - Assessed whether the disclosures appropriately disclose and address the uncertainty which exists when determining ECL. In addition, the auditors assessed whether the disclosure of the key judgements and assumptions made was sufficiently clear.
<p>2. Information technology in Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited)</p>	

Independent Auditor's Report (Continued)

TMF Holdings Limited

<p>Information Technology ('IT') systems and controls:</p> <p>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.</p> <p>The auditors of the subsidiary have focused on user access management, change management, interface controls and system application controls over key financial accounting and reporting systems.</p>	<p>Audit procedures performed by the auditors of the subsidiary to assess the IT system access management included the following:</p> <p>Involved IT specialists as part of the audit for the purpose of testing General IT controls and application controls (automated and semi-automated controls) to determine the accuracy of the information produced by the Company's IT system.</p> <p>With respect to the "In-scope IT systems" identified as relevant to the audit of the financial statements and financial reporting process of the Company, the auditors of the subsidiary have evaluated and tested relevant IT general controls.</p> <p>On such "In-scope IT systems" the auditors of the subsidiary have performed the following procedures:</p> <ul style="list-style-type: none">• The auditors 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.• The auditors tested the design and operating effectiveness of key controls over user access management which includes management of user access and enforcement of segregation of duties.• For a selected group of key controls over financial and reporting systems, the auditors independently performed procedures to determine the operating effectiveness of application controls. For those controls that were changed during the year, the auditors tested the change management process.• The auditors 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, the auditors evaluated the program development related controls to determine whether
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Independent Auditor's Report (Continued)

TMF Holdings Limited

	<p>adequate controls have been established to ensure that system implemented was authorized, tested, approved.</p> <ul style="list-style-type: none">• With respect to controls managed at vendor, auditors have reviewed the SOC Type I and II reports.• Additionally, auditors have checked the compliance with respect to audit trail as per amendment in section 128 of the Companies Act, 2013. The Company is compliant with respect to the audit trail requirements.
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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 loss 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

Independent Auditor's Report (Continued)

TMF Holdings Limited

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.

Independent Auditor's Report (Continued)

TMF Holdings Limited

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. TMF Business Services Limited (formerly known as Tata Motors Finance Limited) and Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited), whose Financial Statements reflect Group's share of total assets of Rs.38,88,072.02 lakhs as at March 31, 2024, Group's share of total revenue of Rs. 5,06,090 lakhs, Group's share of total net profit after tax of Rs. 41,09.75 lakhs and Group's share of total comprehensive income (loss) of Rs. 31,86.35 lakhs for the period from April 1, 2023 to March 31, 2024, and cash outflow (net) of Rs. 1,12,065.41 lakhs for the year ended March 31, 2024, 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.

Report on Other Legal 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.

Independent Auditor's Report (Continued)

TMF Holdings Limited

- 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, 2024 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, 2024 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 A".
- 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 35 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 except in case of one of the subsidiaries Tata Motors Finance Limited wherein there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund.
 - 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

Independent Auditor's Report (Continued)

TMF Holdings Limited

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) The Group has not declared or paid dividend during the year. Hence, compliance with section 123 of the Act is not applicable.

vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, the Holding company and subsidiaries have used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we and respective auditors of the subsidiaries did not come across any instance of audit trail feature being tampered with.

Reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March, 2024, as proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 01 April, 2023.

2) With respect to the matter to be included in the Auditor's Report under section 197(16):

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. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

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:

Sudit K. Parekh & Co. LLP
Chartered Accountants

Independent Auditor's Report (Continued)

TMF Holdings Limited

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 Limited (Formerly known as Tata Motors Finance Solutions Limited)	U65910MH1992PLC187184	Subsidiary	Clause (iii)(c) and 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: 24111929BKEKRE4619
Place: Mumbai
Date: May 02, 2024

Annexure “A” 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 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, 2024, 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, 2024, 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 with reference to the consolidated financial statements 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

Annexure “A” to the Independent Auditors’ Report (Continued)

TMF Holdings Limited

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: 24111929BKEKRE4619
Place: Mumbai
Date: May 02, 2024

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Consolidated Balance Sheet as at March 31, 2024

(₹ in lakhs)

Particulars	Notes	As at March 31	As at Mar 31
		2024	2023
I ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	5	3013,85.35	4162,41.10
(b) Bank balance other than cash and cash equivalents	6	107,68.91	165,27.32
(c) Derivative financial instruments	16	102,44.23	110,39.49
(d) Receivables			
i. Trade receivables	7	41,42.77	30,08.66
ii. Other receivables	8	19,40.92	3,99.40
(e) Loans	9	31506,81.90	34312,46.74
(f) Investments	10	2529,45.68	2061,25.31
(g) Other financial assets	11	1091,44.46	909,56.31
		38412,54.22	41755,44.33
2 Non-financial assets			
(a) Current tax assets (net)		354,15.97	348,52.36
(b) Deferred tax assets (net)	12	16,92.06	167,90.80
(c) Property, plant and equipment	13	257,90.48	221,33.61
(d) Goodwill	14A	205,18.53	205,18.53
(e) Other intangible assets	14B	7,23.19	2,24.55
(f) Other non-financial assets	15	222,70.01	189,87.31
		1064,10.24	1135,07.16
3 Assets held for sale		65,46.19	192,01.23
Total assets		39542,10.65	43082,52.72
II LIABILITIES AND EQUITY			
1 Financial liabilities			
(a) Derivative financial instruments	16	4,91.29	14,86.64
(b) Payables	17		
(i) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		13,18.89	13,54.76
- total outstanding dues of creditors other than micro enterprises and small		267,44.22	229,85.23
(ii) Other payables			
- total outstanding dues of micro enterprises and small		-	-
- total outstanding dues of creditors other than micro enterprises and small		110,83.84	87,45.16
(c) Debt securities	18	7268,38.42	11553,87.58
(d) Borrowings (Other than debt securities)	19	25348,39.28	24148,58.39
(e) Subordinated liabilities	20	484,48.52	713,29.68
(f) Other financial liabilities	21	1184,38.13	1028,76.22
		34682,02.59	37790,23.66
2 Non-financial liabilities			
(a) Current tax liabilities (net)		2,41.23	2,36.08
(b) Provisions	22	110,92.98	101,43.57
(c) Other non-financial liabilities	23	74,59.75	80,27.33
		187,93.96	184,06.98
3 Equity			
(a) Equity share capital	24A	1741,59.33	1741,59.34
(b) Other equity		(677,45.23)	(241,37.26)
Equity attributable to owners		1064,14.10	1500,22.08
Non-controlling interests		3608,00.00	3608,00.00
		4672,14.10	5108,22.08
Total liabilities and equity		39542,10.65	43082,52.72

See accompanying notes forming part of the financial statements (1 to 47)

As per our report of even date attached

For and on behalf of the Board of Directors

For Sudit K. Parekh & Co. LLP
Chartered Accountants
Firm Registration Number: 110512W/W100378

N. V. SIVAKUMAR
Director
(DIN - 03534101)

P.B. BALAJI
Director
(DIN - 02762983)

Nemish Kapadia
Partner
Membership No. 111929

SAMRAT GUPTA
Director
(DIN - 07071479)

ANAND BANG
Manager

Place : Mumbai
Date: May 02, 2024

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary
Membership No :- A7911

Place : Mumbai
Date: May 02, 2024

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Consolidated Statement of Profit & Loss for the year ended March 31, 2024

(₹ in lakhs)

Particulars	Notes	For the year ended March 31	For the year ended March 31
		2024	2023
Revenue from operations			
(a) Interest income	25	3849,84.83	4324,97.94
(b) Dividend income		12,95.46	3,77.37
(c) Rental income		53,75.63	49,58.85
(d) Net gain on fair value changes	26	760,61.58	164,93.69
(e) Net gain on derecognition of financial instruments		194,26.04	208,31.02
(f) Fees and commission income	27	183,02.51	175,43.49
I Total Revenue from operations		5054,46.05	4927,02.36
II Other income	28	80,09.24	130,25.81
III Total income (I + II)		5134,55.29	5057,28.17
IV Expenses:			
(a) Finance cost	29	2718,22.42	2884,52.47
(b) Impairment of financial instruments and other assets	30	1128,37.46	2038,94.82
(c) Employee benefits expenses	31	508,05.52	386,22.78
(d) Depreciation, amortization and impairment	13 & 14B	69,15.82	58,09.15
(e) Other expenses	32	661,37.24	682,19.75
Total expenses		5085,18.46	6049,98.97
V Profit/(Loss) before exceptional items and tax (III - IV)		49,36.83	(992,70.80)
VI Profit/(Loss) for the year before tax		49,36.83	(992,70.80)
VII Tax expense	12		
Current tax		30.47	3,51.64
Deferred tax		166,05.46	16,74.83
Total tax expense		166,35.93	20,26.47
VIII Profit/(Loss) for the year after tax (VI - VII)		(116,99.10)	(1012,97.27)
IX Other comprehensive income			
A i. Its Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		(3,33.96)	5,43.74
(b) Equity Instruments through Other Comprehensive Income		45,27.85	(3,73.87)
ii. Income tax relating to items that will not be reclassified to		(11,39.57)	94.59
Subtotal (A)		30,54.32	2,64.46
B i. Its Items that will be reclassified to profit or loss			
(a) Net Gains/(losses) on cash flow hedges		15,86.28	29,38.53
(b) Debt Instruments through Other Comprehensive Income		(74,35.32)	77,66.37
ii. Income tax relating to items that will be reclassified to profit or loss		18,71.32	(19,54.64)
Subtotal (B)		(39,77.72)	87,50.26
Other Comprehensive Income		(923.40)	90,14.72
X Total comprehensive income for the year (VIII + IX)		(126,22.50)	(922,82.55)
XI Earnings per equity share of Rs. 100 each			
Basic (in Rs.)		(2.45)	(7.45)
Diluted (in Rs.)		(2.45)	(7.45)
XIII Weighted average number of outstanding shares		174,15,93,442	174,15,93,442

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

For and on behalf of the Board of Directors

Nemish Kapadia
Partner
Membership No. 111929

N. V. SIVAKUMAR
Director
(DIN - 03534101)

P.B. BALAJI
Director
(DIN - 02762983)

SAMRAT GUPTA
Director
(DIN - 07071479)

ANAND BANG
Manager

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary
Membership No :- A7911

Place: Mumbai
Date: May 02, 2024

Place: Mumbai
Date: May 02, 2024

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Consolidated Statement of Cash Flow for the year ended March 31, 2024

(₹ in lakhs)

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) for the year before tax	49,36.83	(992,70.80)
<u>Adjustments for:</u>		
Interest income on loans, deposits and investments	(3849,84.84)	(4305,13.37)
Balance (written back) / written off	(6,23.77)	(15,65.11)
Finance costs (other than Interest expense on assets taken on lease)	2711,45.21	2877,66.73
Interest expense on lease liability	6,77.21	6,48.78
Allowance for loan losses (net of writeoff)	1101,19.29	2050,98.10
Allowance for doubtful loans and advances (others)(net of write off)	26,49.51	(12,08.60)
Gain on sale of investments	(146,98.42)	(167,21.84)
Dividend Income	(12,95.46)	(3,77.37)
Mark-to-market on investments measured at fair value through profit or loss	(618,56.98)	(5,38.07)
Depreciation and amortization expense	69,15.83	58,09.16
Loss on sale of property, plant and equipments	4,35.76	22.46
Fair value changes on derivative instruments	9,26.70	10,09.69
Loss on sale of assets held for sale	33,72.41	70,96.38
Operating cash flow before working capital changes and discounting charges	(622,80.72)	(427,43.86)
<u>Movements in working capital</u>		
Trade receivables	(12,95.93)	15,75.71
Other receivables	(14,40.34)	(1,47.36)
Loans	1418,53.25	511,80.02
Other financial assets	(18,59.36)	(189,40.08)
Trade payables	35,14.24	53,84.43
Other payables	6,72.57	32,17.02
Other non-financial assets	(31,88.66)	(45,61.95)
Other financial liabilities	271,20.75	(110,44.21)
Provision for expenses	13,87.85	(97.82)
Other non-financial liabilities	(5,67.57)	(2,90.66)
Assets held for sale	99,09.46	186,84.37
	1138,25.54	22,15.61
Finance costs paid	(2343,51.97)	(2465,33.84)
Current/Income taxes paid (net)	(5,88.94)	(119,55.92)
Net cash used in operating activities	(1211,15.37)	(2562,74.15)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments and intangible assets	(111,78.08)	(37,36.53)
Proceeds from sale of property, plant and equipments	8,77.29	13,30.25
Purchase of mutual fund units	(113669,13.18)	(153244,60.78)
Redemption of mutual fund units	113815,24.84	152908,85.12
Interest income received on loans, deposits and investments	4005,93.03	4348,31.11
Purchase of government securities	-	(542,84.65)
Redemption of Debt securities	1,50.00	51,50.00
Investment in treasury bills	(5372,29.57)	(2282,14.67)
Redemption of treasury bills	5380,00.00	2858,00.00
Distribution from trust securities	58.97	16.54
Deposits/restricted deposits with banks	(13,85.51)	(45,46.21)
Realisation of deposits/restricted deposits with banks	74,70.37	414,41.46
Investment of channel finance	(5593,93.80)	(3856,79.84)
Recovery of channel finance	6061,55.00	3025,25.23
Dividend income	12,95.46	3,77.37
Net cash generated from investing activities	4600,24.82	3614,34.40

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Consolidated Statement of Cash Flow for the year ended March 31, 2024

(₹ in lakhs)

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of perpetual debt	-	357,16.07
Increase in cash credit (net)	68,05.93	73,62.79
Interest payment on lease liability	(6,77.21)	(6,48.78)
Principal payment of lease liability	(14,27.87)	(12,59.74)
Distributions made to holders of Instruments entirely equity in nature	(317,60.45)	(284,23.77)
Repayments of Collateralised debt obligation	(74,87.24)	-
Proceeds from debt securities	8366,53.73	8297,06.99
Repayment of debt securities	(13179,00.00)	(9472,50.00)
Repayment of subordinated liabilities	(230,10.00)	(190,40.00)
Proceeds from borrowings (other than debt securities)	20401,94.61	20357,41.60
Repayment of borrowings (other than debt securities)	(19551,56.70)	(21286,24.48)
Net cash used in financing activities	(4537,65.20)	(2167,19.32)
Net decrease in cash and cash equivalents (A + B + C)	(1148,55.75)	(1115,59.07)

(₹ in lakhs)

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
Cash and cash equivalents at the beginning of the year	4162,41.10	5278,00.17
Cash and cash equivalents at the end of the year	3013,85.35	4162,41.10
Net decrease in cash and cash equivalents	(1148,55.75)	(1115,59.07)

See accompanying notes forming part of the financial statements (1 to 47)

Notes:

- Finance costs has been considered as arising from operating activities in view of the nature of the group's business
- 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

For and on behalf of the Board of Directors

Nemish Kapadia
Partner
Membership No. 111929

N. V. SIVAKUMAR
Director
(DIN - 03534101)

P.B. BALAJI
Director
(DIN - 02762983)

Place: Mumbai
Date: May 02, 2024

SAMRAT GUPTA
Director
(DIN - 07071479)

ANAND BANG
Manager

VINAY LAVANNIS
Company Secretary
Membership No :- A7911

RIDHI GANGAR
Chief Financial Officer

Place: Mumbai
Date: May 2, 2024

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Consolidated Statement of Changes in Equity for the year ended March 31, 2024

A Equity share capital

Particulars	(₹ in lakhs)			
	As at March 31 2024		As at Mar 31 2023	
	Number	₹	Number	₹
(a) Shares outstanding at the beginning of the year	1,741,593,442	1741,59.34	1,648,283,442	1648,28.34
(b) Shares issued during the year	-	-	933100,00.00	93,31.00
(c) Shares outstanding at the end of the year	1,741,593,442	1741,59.34	1,741,593,442	1741,59.34

B Other equity

Particulars	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 1, 2023	523,91.57	1790,33.02	241,72.78	(3338,94.40)	144,65.05	381,34.81	(6,35.91)	21,95.82	(241,37.25)
(a) Profit / (Loss) for the year	-	-	-	(116,99.10)	-	-	-	-	(116,99.10)
(b) Other comprehensive income /(loss) for the year	-	-	-	(3,33.96)	33,88.28	(55,64.00)	21,41.28	(5,55.00)	(9,23.40)
Total Comprehensive income/(loss) for the year	-	-	-	(120,33.06)	33,88.28	(55,64.00)	21,41.28	(5,55.00)	(126,22.50)
(c) Distributions made to holders of instruments entirely equity in nature	-	-	-	(309,85.48)	-	-	-	-	(309,85.48)
(d) Premium on issue of equity shares	-	-	-	-	-	-	-	-	-
(e) Conversion of CCPS to equity	-	-	-	-	-	-	-	-	-
(f) Issue expenses on Instruments entirely equity in nature (net of taxes)	-	-	-	-	-	-	-	-	-
(g) Transfer to special reserve	10,37.58	-	-	(10,37.58)	-	-	-	-	-
Balance as at 31 March, 2024	534,29.15	1790,33.02	241,72.78	(3779,50.52)	178,53.33	325,70.81	15,05.37	16,40.82	(677,45.23)

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 1, 2022	370,72.59	508,64.59	1512,91.43	241,72.78	(2029,06.19)	147,44.35	323,23.09	(457.04)	(9,21.58)	1061,84.03
(a) Profit for the year	-	-	-	-	(1012,97.27)	-	-	-	-	(1012,97.27)
(b) Other comprehensive income /(loss) for the year	-	-	-	-	5,43.74	(2,79.31)	58,11.72	(1,78.87)	31,17.40	90,14.68
Total Comprehensive income/(loss) for the year	-	-	-	-	(1007,53.53)	(2,79.31)	58,11.72	(1,78.87)	31,17.40	(922,82.59)
(c) Distributions made to holders of Instruments entirely equity in nature	-	-	-	-	(284,23.77)	-	-	-	-	(284,23.77)
(d) Premium on issue of equity shares	-	-	277,41.59	-	-	-	-	-	-	277,41.59
(e) Conversion of CCPS to equity	(370,72.59)	-	-	-	-	-	-	-	-	(370,72.59)
(f) Issue expenses on Instruments entirely equity in nature (net of taxes)	-	-	-	-	(2,83.93)	-	-	-	-	(2,83.93)
(g) Transfer to special reserve	-	15,26.98	-	-	(15,26.98)	-	-	-	-	-
Balance as at March 31, 2023	-	523,91.57	1790,33.02	241,72.78	(3338,94.40)	144,65.05	381,34.81	(6,35.91)	21,95.82	(241,37.26)

***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 transfer said amount at the end of financial year.

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

For and on behalf of the Board of Directors

Nemish Kapadia
Partner
Membership No. 111929

N. V. SIVAKUMAR
Director
(DIN - 03534101)

P.B. BALAJI
Director
(DIN - 02762983)

Place : Mumbai
Date: May 02, 2024

SAMRAT GUPTA
Director
(DIN - 07071479)

ANAND BANG
Manager

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary
Membership No :- A7911

Place: Mumbai
Date: May 02, 2024

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. Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited) a subsidiary of the Company is also registered as a corporate agent with Insurance Regulatory and Development Authority of India having registration no. CA0875. 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.

The consolidated financial statements were approved by the Board of Directors and authorised for issue on May 02, 2024.

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 material 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.

3 MATERIAL 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.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

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 material areas of estimation uncertainty and critical judgments in applying accounting policies that have the most material effect on the amounts recognized in the financial statements are included in following notes :

- a) Note 3 (xiii) A- Business model assessment for classification and measurement of financial assets
- b) Note 3 (xiii) 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(vi) and 3(vii) - Useful lives of property, plant and equipment and intangible assets.
- e) Note 3(x) and 36 - Measurement of assets and obligations of defined benefit employee plans.
- f) Note 3(v) and 12 - Recognition of deferred tax assets.
- g) Note 3(xi) - Measurement and recognition of Provisions and Contingencies.
- h) Note 3(xiii) and 38 - Fair value measurement of Financial Instruments.
- i) Note 3(xiii) A - Effective Interest Rate (EIR) methodology that represents the best estimate of a constant rate of return over the expected behavioral life of financial instruments.
- j) Note 3(viii)- Determination of lease term where Group is a lessee
- k) Note 3(ix) & 14A - Impairment of intangible assets- goodwill

(iv) Revenue recognition

(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.

(v) 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 consolidated statement of profit and loss (whether in other comprehensive income or directly in equity), in which case tax is also recognised outside the consolidated statement of profit and loss.

Current income taxes are determined based on respective taxable income of Group and tax rules applicable for respective tax jurisdictions.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

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.

(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.

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.

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) 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

(viii) 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 an 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 foring 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.

(ix) 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.

(x) 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.

(xi) 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.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

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.

(xii) Dividend (including dividend distribution tax)

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 unprovided 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.

(xiii) 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 finance 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 material 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) are calculated on a collective basis considering the homogeneous nature of the underlying portfolio of financial assets. In case of TMFHL, for stage 1 and stage 2 assets, the company makes provision at higher of requirement as per ECL Model and as per RBI norms.

The impairment methodology applies depends on whether there has been material increase in credit risk. When determining whether credit risk of a financial asset has increased materially 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.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

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: material 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. 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.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

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 material 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 materially 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 finance cost 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
- 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.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

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 2024	As at Mar 31 2023

Subsidiaries

1	TMF Business Services Limited (Formerly known as Tata Motors Finance Limited)	India	100	100
2	Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited)	India	100	100

Joint Venture

1	Loginomic Tech Solutions Private Limited*	India	26	26
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*During the year ended March 31, 2024 the Group has written off investment, which was fully provided for in earlier year, of Rs 1100.87 lakhs (optionally convertible debentures of Rs 835 lakhs and equity shares of Rs 265.87 lakhs) 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 written off.

4B Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary /Joint Ventures

(₹ in lakhs)

Sr. No	Name of the Company	As % of consolidated net assets	Net Assets (total assets minus total liabilities)	As % of consolidated profit / (loss)	Share of profit / (loss)	As % of other comprehensive income	Share of OCI	As % of total comprehensive income	Share of total comprehensive income
Parent									
1	TMF Holdings Limited	115%	5362,42.74	102%	(119,68.66)	0%	-	95%	(119,68.66)
Subsidiaries									
1	TMF Business Services Limited (Formerly known as Tata Motors Finance Limited)	1%	27,31.09	9%	(10,78.11)	0%	0.53	9%	(10,77.58)
2	Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited)	141%	6574,24.17	-44%	51,87.86	100%	(9,23.93)	-34%	42,63.93
	Adjustments arising out of consolidation	-156%	(7291,83.90)	33%	(38,40.19)	0%	0	30%	(38,40.19)
		100%	4672,14.10	100%	(116,99.10)	100%	(9,23.40)	100%	(126,22.50)

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

5 Cash and cash equivalents

	(₹ in lakhs)	
Particulars	As at March 31 2024	As at Mar 31 2023
(a) Cash on hand	7,02.26	7,57.60
(b) Balance with banks (refer note (i))	567,85.56	380,25.98
(c) Cheques, drafts on hand	9,65.81	14,15.16
(d) Bank deposit with original maturity of less than 3 months	2429,31.72	3760,42.36
Total	3013,85.35	4162,41.10
(i) Includes ₹ NIL as at 31st March 2024 (₹ 0.23 lacs as at 31st March 2023) towards unpaid dividend.		

6 Bank Balance other than cash and cash equivalents

	(₹ in lakhs)	
Particulars	As at March 31 2024	As at Mar 31 2023
(a) Deposits with banks	104,25.49	112,08.55
(b) Earmarked balances with banks (Refer note i)	34.42	36.35
(c) Margin money / cash collateral with banks (Refer note ii and iii)	3,09.00	52,82.42
Total	107,68.91	165,27.32

Note :-

(i) Earmarked balances with banks on account of unclaimed interest on debt securities.

(ii) Margin money is towards mark-to-market on derivative instrument entered to hedge risk arising from external commercial borrowings.

(iii) cash collateral with banks acting as credit enhancement in respect securitisation transactions.

7 Trade Receivables

	(₹ in lakhs)	
Particulars	As at March 31 2024	As at Mar 31 2023
(a) Receivables considered good - Unsecured	45,12.34	32,52.36
Impairment loss allowance-Trade Receivable	(3,69.57)	(2,43.70)
Total	41,42.77	30,08.66

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.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

Ageing of trade receivable at March 31, 2024 is given below-

(₹ in lakhs)

Particulars	As at March 31, 2024							Total
	Outstanding for following periods from due date of payment							
	Not due	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	20,71.81	-	13,30.21	2,95.62	3,35.42	30.23	-	40,63.29
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	1,09.01	-	-	-	-	1,09.01
(iii) Undisputed Trade Receivables – credit impaired	-	-	29.16	18.06	-	-	-	47.22
(iv) Disputed Trade Receivables – considered good	16.69	-	-	-	-	-	-	16.69
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	52.92	-	-	-	-	52.92
(vi) Disputed Trade Receivables – credit impaired	-	-	78.31	85.43	53.79	5.68	-	2,23.21
Total	20,88.50	-	15,99.61	3,99.11	3,89.21	35.91	-	45,12.34

Ageing of trade receivable at March 31, 2023 is given below-

(₹ in lakhs)

Particulars	As at March 31, 2023							Total
	Outstanding for following periods from due date of payment							
	Not due	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	13,56.97	-	13,16.72	1,92.79	1,20.77	15.39	-	30,02.64
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	21.07	-	-	-	-	21.07
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	17.40	-	-	-	-	-	-	17.40
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	78.31	-	-	-	-	78.31
(vi) Disputed Trade Receivables – credit impaired	-	-	85.23	42.03	5.68	-	-	1,32.94
Total	13,74.37	-	15,01.33	2,34.82	1,26.45	15.39	-	32,52.36

8 Other Receivables

(₹ in lakhs)

Particulars	As at March 31	As at Mar 31
	2024	2023
Other Receivables considered good - Unsecured	19,40.92	3,99.40
Total	19,40.92	3,99.40

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.

9 Loans

(₹ in lakhs)

Particulars	As at March 31	As at Mar 31
	2024	2023
(A) At Amortised Cost		
From Financing Activities		
(a) Term loans	12380,16.25	15076,24.32
(b) Finance Lease receivables	193,91.44	81,54.50
(c) Factoring	329,09.98	60,45.85
(d) Channel Financing	1796,33.00	1919,56.03
(e) Credit substitutes	837,31.20	1804,87.97
(Refer note (i) below)		
From other than financing activities		
(a) Inter corporate deposits (repayable on demand)	118,00.00	50.02
Total (A) - Gross	15654,81.87	18943,18.69
Less: Impairment loss allowance	(897,49.85)	(1603,56.85)
Total (A) - Net	14757,32.02	17339,61.84
(B) At fair value through Other comprehensive income (FVOCI)		
From Financing Activities		
(a) Term loans	17203,85.89	17314,08.87
Less: Impairment loss allowance	(454,36.01)	(341,23.97)
Total (B) - Net	16749,49.88	16972,84.90
(C)		
(a) Secured by tangible assets (refer note (ii) & (iii))	30384,70.51	31664,42.28
(b) Covered by government guarantees (refer note (iv))	478,01.96	2470,66.99
(c) Unsecured	1995,95.29	2122,18.29
Total (C) - Gross	32858,67.76	36257,27.56
Less: Impairment loss allowance	(1351,85.86)	(1944,80.82)
Total (C) - Net	31506,81.90	34312,46.74
(D)		
Loans in India		
(a) Public Sector	-	-
(b) Others	32858,67.76	36257,27.56
Loans outside India		
(a) Public Sector	-	-
(b) Others	-	-
Total (D) - Gross	32858,67.76	36257,27.56
Less: Impairment loss allowance	(1351,85.86)	(1944,80.82)
Total (D) - Net	31506,81.90	34312,46.74

Notes

(i) Investments in bonds, debentures and other financial instruments which, in substance, form a part of the Group's financing activities ("Credit
(ii) Group covers/secures the credit risk associated with the loans lent to customers by creating an exclusive charge/ hypothecation/ security on the assets/vehicles as mentioned/specified in the loan agreement with 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) For loans secured against underlying vehicle, security is created by way of borrower signing and executing hypothecation Agreement before disbursement of loan. Borrower ensures endorsement of hypothecation in Registration Certificate of underlying vehicle in favour of the Company. However, in certain cases the Company is in the process of endorsing the hypothecation in Registration Certificate book of underlying vehicle. This does not impact the Company's right as security holder over the asset under finance in the court of law, in case of default by borrower.

(iv) Fully backed by guarantee of Central Government of India under the emergency credit Line guarantee scheme (ECLGS).

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

10 Investments

(₹ in lakhs)

Particulars	As at March 31 2024						As at Mar 31 2023					
	At fair value					Total	At fair value					Total
	Amortized cost	Through OCI	Through profit or loss	Sub total	Others (at Cost)		Amortized cost	Through OCI	Through profit or loss	Sub total	Others (at Cost)	
(1)	(2)	(3)	(4=2+3)	(5)	(6=1+4+5)	(7)	(8)	(9)	(10=8+9)	(11)	(12=7+10+11)	
I. Mutual funds	-	-	300,38.96	300,38.96	-	300,38.96	-	-	503,27.14	503,27.14	-	503,27.14
ii Government Securities	1247,24.91	-	9,68.30	9,68.30	-	1256,93.21	1231,24.93	-	9,49.10	9,49.10	-	1240,74.03
iii Debt securities	-	-	-	-	-	-	8,35.00	-	-	-	-	8,35.00
iii Equity instruments	-	173,17.55	797,73.68	970,91.23	-	970,91.23	-	134,16.52	180,48.28	314,64.80	2,65.87	317,30.67
iv Preference Shares	40.00	-	-	-	-	40.00	1,90.00	-	-	-	-	1,90.00
v Trust Securities	-	-	5,02.28	5,02.28	-	5,02.28	-	-	4,89.34	4,89.34	-	4,89.34
Total (A) - Gross	1247,64.91	173,17.55	1112,83.22	1286,00.77	-	2533,65.68	1241,49.93	134,16.52	698,13.86	832,30.38	2,65.87	2076,46.18
I. Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-
ii. Investments in India	1247,64.91	173,17.55	1112,83.22	1286,00.77	-	2533,65.68	1241,49.93	134,16.52	698,13.86	832,30.38	2,65.87	2076,46.18
Total (B)	1247,64.91	173,17.55	1112,83.22	1286,00.77	-	2533,65.68	1241,49.93	134,16.52	698,13.86	832,30.38	2,65.87	2076,46.18
Less: Allowance for impairment loss (C)	-	(4,20.00)	-	(4,20.00)	-	(4,20.00)	(8,35.00)	(4,20.00)	-	(4,20.00)	(2,65.87)	(15,20.87)
Total (D) = (A + C)	1247,64.91	168,97.55	1112,83.22	1281,80.77	-	2529,45.68	1233,14.93	129,96.52	698,13.86	828,10.38	-	2061,25.31

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

Annexure to Note 10 - Details of investments

(₹ in lakhs)

Face Value per unit (in ₹)	Description	Quantity (in nos.) as at March 31 2024	As at March 31 2024	Quantity (in nos.) as at March 31 2023	As at Mar 31 2023
(a) Investments measured at fair value other comprehensive income					
Investment in equity shares					
(i) Quoted					
1	Tata Steel Limited (face value reduced from Rs. 10 per share to Re.1 per share)	6,095,110	94,99.23	6,095,110	63,69.39
10	Tata Chemicals Limited	10,060	108.74	10,060	97.83
1	Tata Power Limited	9,120	35.95	9,120	17.35
1	Tata Consumer Products Limited (pursuant to Scheme of Arrangement wherein 100 shares held in Tata Chemicals Limited are allotted 114	11,468	125.71	11,468	81.29
10	NTPC Limited (refer note 1)	-	-	156,000	2,73.16
1	NMDC Limited (refer note 1)	-	-	20,000	22.31
10	NMDC Steel Limited ((pursuant to Scheme of Arrangement,1 shares were allotted for every 1 shares held in NMDC Limited) (refer note 1)	-	-	20,000	6.21
10	Coal India Limited (refer note 1)	-	-	11,904	25.43
(ii) Unquoted - Group Companies					
10	Taj Air Limited	4,200,000	4,20.00	4,200,000	4,20.00
	Less: Allowance for impairment loss		(4,20.00)		(4,20.00)
			-		-
1000	Tata International Limited	19,350	42,29.14	19,350	41,94.55
100	Tata Industries Limited	993,753	28,98.78	993,753	19,09.00
	Subtotal (a)		168,97.55		129,96.52
(b) Investments measured at fair value through profit and loss					
Investment in equity shares					
(i) Quoted					
10	Automobile Corporation of Goa Limited	48,315	10,45.37	48,315	3,46.85
2	Tata Technologies Limited (refer note 2)	8,119,920	787,28.31		
(ii) Unquoted					
10	Tata Hitachi Construction Machinery Company Private Limited	285,714	-	285,714	-
2	Tata Technologies Limited (refer note 2)			8,119,920	177,01.43
			797,73.68		180,48.28
Investment in trust securities					
10	SBI Macquarie Infrastructure Trust	15,000,000	5,02.28	15,000,000	4,89.34
			5,02.28		4,89.34
Investment in government securities (Quoted)					
	Government securities bonds		9,68.30		9,49.10
			9,68.30		9,49.10
Investment in mutual funds					
			300,38.96		503,27.14
			300,38.96		503,27.14
	Subtotal (b)		1112,83.22		698,13.86
(c) 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, 2025	40,000	40.00	40,000	40.00

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

Annexure to Note 10 - Details of investments

		(₹ in lakhs)			
Face Value per unit (in ₹)	Description	Quantity (in nos.) as at March 31 2024	As at March 31 2024	Quantity (in nos.) as at March 31 2023	As at Mar 31 2023
	(ii) Fully Paid Cumulative Redeemable Preference shares (Unquoted)				
100	8.50% Tata Precision Industries (India) Limited, 2023	-	-	150,000	1,50.00
	(iii) Fully Paid Cumulative Redeemable Non Participating Preference shares (unquoted)				
1000	12.50% Tata Capital Limited	-	-	-	-
			<u>40.00</u>		<u>1,90.00</u>
	Investments in Debentures and Bonds measured at Amortised Cost				
	Fully Paid Secured, Non - Cumulative, Non - Convertible, Redeemable Debentures (quoted)				
5	8.49% NTPC Limited (issued as bonus) (refer note 3)	275,752	-	275,752	-
			<u>-</u>		<u>-</u>
	(ii) Investment in government securities (Quoted)				
	Treasury bills		149,91.63		134,44.04
	Government securities bonds		1097,33.28		1096,80.89
			<u>1247,24.91</u>		<u>123,124.93</u>
	(iii)				
	Fully paid unsecured optionally convertible zero coupon debentures				
100	Loginomic Tech Solutions Private Limited ("TruckEasy") (refer note 4)	835,000	-	835,000	8,35.00
	Less: Allowance for impairment loss	-	-	-	(8,35.00)
			<u>-</u>		<u>-</u>
	Subtotal (c)		<u>1247,64.91</u>		<u>1233,14.93</u>
	(d) Equity instruments				
	Joint Venture				
10	Loginomic Tech Solutions Private Limited ("TruckEasy") (refer note 4)	31,200	-	31,200	2,65.87
	Less: Allowance for impairment loss		-		(2,65.87)
	Subtotal (d)		<u>-</u>		<u>-</u>
	Total (a + b + c + d)		<u>2529,45.68</u>		<u>2061,25.31</u>

Note:

- 1 During the financial year ended March 31, 2024, Investment committee has approved for disinvestment. Hence, these investments have been classified as assets-held for sale.
- 2 During the financial year ended March 31, 2024 the equity shares of Tata Technologies were listed on the recognised stock exchange.
- 3 During the financial year ended March 31, 2024 there has been partial face value redemption in 8.49% NTPC Limited debentures. Thus, restated face value post such partial face value redemption stands at Rs. 5.
- 4 During the year ended March 31, 2024 the Group has written off investment, which was fully provided for in earlier year, of Rs 11,00.87 lakhs (optionally convertible debentures of Rs 8,35.00 lakhs and equity shares of Rs 2,65.87 lakhs) as the Group does not expect to recover its cost of investment.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

11 Other financial assets

(₹ in lakhs)

Particulars	As at March 31	As at Mar 31
	2024	2023
(a) Deposits (Net of provision ₹ 19.46 lakhs; March 31, 2023 ₹ 62.25 lakhs)	10,81.38	30,98.19
(b) Interest accrued on investments	13.11	13.09
(c) Interest accrued on deposits	43.40	2,46.21
(d) Application money receivable towards securities	61,34.75	46,65.68
(e) Receivable from mutual funds	204,15.40	-
(f) Others (Net of provision ₹ 5,409.85 lakhs; March 31, 2023 ₹ 2,741.49)	814,56.42	829,33.14
Total	1091,44.46	909,56.31

12 Income taxes

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

(₹ in lakhs)

Particulars	For the year ended March 31	For the year ended March 31
	2024	2023
Income tax expense		
<i>Current tax</i>		
Current tax on profits for the year	-	3,54.09
Adjustments for current tax of prior years	30.47	(2.45)
Total current tax expense	30.47	3,51.64
<i>Deferred tax</i>		
Decrease (increase) in deferred tax assets	102,36.85	(4,36.05)
(Decrease) increase in deferred tax liabilities	63,68.61	21,10.88
Total deferred tax expense/(benefit)	166,05.46	16,74.83
Income Tax expense	166,35.93	20,26.47

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:

(₹ in lakhs)

Particulars	For the year ended March 31	For the year ended March 31
	2024	2023
Profit/(Loss) before taxes	49,36.83	(998,86.21)
Income tax expense at statutory tax rates applicable to individual respective entities	12,42.50	(251,39.38)
Tax effect of the amount which are not taxable in calculating taxable income :		
- Effect of expenses not deductible for tax computation	69.95	5,17.07
- Utilisation/credit of unrecognised tax losses, unabsorbed depreciation and other tax benefits	(37.64)	-
- Effect of income taxable at lower rate	(97,59.84)	-
- Deferred tax assets not recognised because realization is not probable	293,27.35	267,45.79
- Deferred tax asset now created on previously unrecognised and unused tax losses	(43,88.13)	-
- Adjustments recognised in relation to the current tax of prior years	30.47	(97.01)
- Others	1,51.27	-
Income tax expense/(credit) recognised for the year at effective tax rate	166,35.93	20,26.47

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

c) **Deferred tax assets/liabilities (net)**

Significant components of deferred tax assets and liabilities for the year ended March 31, 2024 are as follows:

(₹ in lakhs)

Particulars	As at April 01, 2023	Through profit and loss	Through other comprehensive income	As at March 31, 2024
Deferred tax liabilities :				
- Property, plant & equipment & Intangible assets- Accumulated depreciation/Amortisation	-	-	-	-
- Intangible assets- Accumulated amortisation	-	-	-	-
- Fair Valuation of financial assets measured at FVTOCI and FVTPL	183,38.39	58,08.33	(7,31.76)	234,14.96
- Fair Valuation of Mutual Funds measured at FVTPL	-	-	-	-
- Income to be taxed on actual receipt basis	77,51.31	6,30.41	-	83,81.72
- Sourcing commission claimed on incurrence basis	40,77.88	(,70.13)	-	40,07.75
- Undistributable earnings in subsidiaries	-	-	-	-
Total deferred tax liabilities	301,67.58	63,68.61	(7,31.76)	358,04.43
Deferred tax asset :				
- Property, plant & equipment & Intangible assets- Accumulated depreciation/Amortisation	8,21.89	4,20.41	-	12,42.30
- Expenses deductible in future years:	-	-	-	-
Provisions for impairment allowances on financial assets	459,74.95	(156,29.23)	-	303,45.72
Compensated absences and retirement benefits allowable on payment basis	5,09.16	1,04.98	-	6,14.14
- Unabsorbed depreciation under tax book	-	43,88.13	-	43,88.13
- Others	(3,47.65)	4,78.86	7,74.99	906.20
Total deferred tax assets	469,58.35	(102,36.85)	7,74.99	374,96.49
Net deferred tax asset/(liabilities)	167,90.77	(166,05.46)	15,06.75	16,92.06

Significant components of deferred tax assets and liabilities for the year ended March 31, 2023 are as follows:

(₹ in lakhs)

Particulars	As at April 01, 2022	Through profit and loss	Through other comprehensive income	As at March 31, 2023
Deferred tax liabilities :				
- Property, plant & equipment & Intangible assets- Accumulated depreciation/Amortisation	-	-	-	-
- Income to be taxed on actual receipt basis	-	-	-	-
- Fair Valuation of financial assets measured at FVTOCI and FVTPL	163,46.93	1,31.41	18,60.05	183,38.39
- Fair Valuation of Equity Instruments measured at FVTOCI and FVTPL	-	-	-	-
- Income to be taxed on actual receipt basis	61,14.95	16,36.36	-	77,51.31
- Sourcing commission claimed on incurrence basis	37,34.75	343.13	-	40,77.88
- Undistributable earnings in subsidiaries	-	-	-	-
Total deferred tax liabilities	261,96.63	21,10.90	18,60.05	301,67.58
Deferred tax asset :				
- Property, plant & equipment & Intangible assets- Accumulated depre	3,91.86	4,30.03	-	8,21.89
- Expenses deductible in future years:	-	-	-	-
Provisions for impairment allowances on financial assets	455,93.91	3,81.04	-	459,74.95
Compensated absences and retirement benefits allowable on payment basis	5,16.75	(,7.59)	-	5,09.16
- Others	,19.75	(3,67.40)	-	(3,47.65)
Total deferred tax assets	465,22.27	4,36.08	-	469,58.35
Net deferred tax asset/(liabilities)	203,25.64	(16,74.82)	(18,60.05)	167,90.77

d) **Amounts recognised directly in equity**

Tax impact of ₹ Nil (FY 22-23- ₹ 3,78.01 lakhs) on distribution to instrument entirely equity in nature has been routed through reserve.

e) Tax losses

As at March 31, 2024, unrecognized deferred tax assets amount to Rs. 11,06.57 lakhs (As at March 31, 2023 - Rs. 102,37.41 lakhs) and Rs. 8,27,21.74 lakhs (As at March 31, 2023 - Rs. 468,13.15 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	23,45.00
2031	321,20.98
3032	364,42.08
Thereafter	-
Total	827,21.74

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

13 Property, plant and equipment

(₹ in lakhs)

Particulars	Gross Block			Accumulated Depreciation				Net Block	
	Balance as at April 1, 2023	Additions	Deletions	Balance as at March 31, 2024	Balance as at April 1, 2023	Depreciation for the year	Deletions	Balance as at March 31, 2024	Balance as at March 31, 2024
(a) Building (Refer notes below)	24,02.37	-	-	24,02.37	5,08.11	40.76	-	5,48.87	18,53.50
(b) Data processing machines	18,85.34	11,07.56	(3,85.87)	26,07.03	12,00.84	5,69.73	(3,64.46)	14,06.11	12,00.92
(c) Furniture and fixtures	39,12.28	86.18	(7,68.39)	32,30.07	35,39.65	65.94	(7,24.37)	28,81.22	3,48.85
(d) Vehicles	7,66.72	17,00.81	(3,16.45)	21,51.08	3,05.78	3,32.50	(1,85.93)	4,52.35	16,98.73
(e) Office equipments	24,11.81	3,84.62	(5,87.05)	22,09.38	20,19.95	1,39.88	(5,56.86)	16,02.97	6,06.41
(f) Right of Use Assets	108,95.78	15,38.41	(6,87.16)	117,47.03	33,65.98	16,84.26	(3,98.22)	46,52.02	70,95.01
(g) Vehicles - given on lease	198,54.26	71,36.35	(35,03.64)	234,86.97	93,25.77	37,66.54	(23,73.56)	107,18.75	127,68.22
(h) Leasehold improvements	4,09.75	38.40	-	4,48.15	138.62	90.69	-	2,29.31	2,18.84
Total	425,38.31	119,92.33	(62,48.56)	482,82.08	204,04.70	66,90.30	(46,03.40)	224,91.60	257,90.48

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.

Note 3 : Secured Non-convertible debentures (NCDs) have an exclusive pari-passu charges on Company's residential flat.

(₹ in lakhs)

Particulars	Gross Block			Accumulated Depreciation				Net Block	
	Balance as at April 1, 2022	Additions	Deletions	Balance as at March 31, 2023	Balance as at April 1, 2022	Depreciation for the year	Deletions	Balance as at March 31, 2023	Balance as at March 31, 2023
(a) Building (Refer notes below)	24,02.37	-	-	24,02.37	4,67.34	40.76	-	5,08.11	18,94.26
(b) Data processing machines	15,39.20	5,09.99	(1,63.85)	18,85.34	10,54.81	3,01.43	(1,55.40)	12,00.84	6,84.49
(c) Furniture and fixtures	40,51.29	143.93	(2,82.94)	39,12.28	36,99.02	1,08.28	(2,67.65)	35,39.65	3,72.63
(d) Vehicles	7,42.70	2,76.61	(2,52.58)	7,66.72	3,50.38	1,59.54	(2,04.14)	3,05.78	4,60.95
(e) Office equipments	23,29.48	1,71.29	(,88.96)	24,11.81	19,92.44	1,10.90	(,83.39)	20,19.95	3,91.86
(f) Right of Use Assets	88,29.74	2637.48	(571.44)	108,95.78	22,12.21	15,51.46	(397.69)	33,65.98	75,29.80
(g) Vehicles - given on lease	210,94.69	25,22.58	(3763.01)	198,54.26	84,51.45	33,46.38	(2472.05)	93,25.77	105,28.48
(h) Leasehold improvements	2,97.61	112.14	-	4,09.75	64.21	74.41	-	1,38.62	2,71.14
Total	412,87.08	63,74.02	(51,22.78)	425,38.31	182,91.86	56,93.16	(35,80.32)	204,04.70	221,33.61

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.

Note 3 : Secured Non-convertible debentures (NCDs) have an exclusive pari-passu charges on Company's residential flat.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

14A Goodwill

(₹ in lakhs)			
Particulars	Balance as at April 1, 2023	Impairment charge/(reversal)	Balance as at March 31, 2024
(a) Goodwill	205,18.53	-	205,18.53
Total	205,18.53	-	205,18.53

(₹ in lakhs)			
Particulars	Balance as at April 1, 2022	Impairment charge/(reversal)	Balance as at March 31, 2023
(a) Goodwill	205,18.53	-	205,18.53
Total	205,18.53	-	205,18.53

As at March 31, 2024 and 2023, goodwill of Rs. 205,18.53 lakhs has been allocated to the business acquisition made of Sheba Properties Limited (now known as TMF Business Services 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.

There is no revaluation or any other adjustment conducted in the reporting period and corresponding previous year. Hence, there will be no additional disclosure required.

14B Intangible Assets

(₹ in lakhs)									
Particulars	Gross Block			Accumulated Amortisation				Net Block	
	Balance as at April 1, 2023	Additions	Deletions	Balance as at March 31, 2024	Balance as at April 1, 2023	Amortisation during the year	Deletions	Balance as at March 31, 2024	Balance as at March 31, 2024
(a) Computer Software	29,29.44	724.16	-	36,53.60	27,04.89	2,25.52	-	29,30.41	7,23.19
Total	29,29.44	7,24.16	-	36,53.60	27,04.89	2,25.52	-	29,30.41	7,23.19

(₹ in lakhs)									
Particulars	Gross Block			Accumulated Amortisation				Net Block	
	Balance as at April 1, 2022	Additions	Deletions	Balance as at March 31, 2023	Balance as at April 1, 2022	Amortisation during the year	Deletions	Balance as at March 31, 2023	Balance as at March 31, 2023
(a) Computer Software	29,29.44	-	-	29,29.44	25,88.90	1,15.99	-	27,04.89	2,24.55
Total	29,29.44	-	-	29,29.44	25,88.90	1,15.99	-	27,04.89	2,24.55

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

15 Other non-financial assets

(₹ in lakhs)

Particulars	As at March 31	As at Mar 31
	2024	2023
(a) Capital advances	16,22.76	7,92.31
(b) Deposits with statutory authorities (Net of provision ₹ 41.85 lakhs; March 31, 2023 ₹ 87.92 lakhs)	294.67	75.05
(c) Deposits paid under protest	13,09.09	11,82.51
(d) Prepaid expenses	40,19.27	62,55.60
(e) Taxes recoverable and dues from government (Net of provision ₹ 303.69 lakhs; March 31, 2023 ₹ 303.69 lakhs)	111,47.61	78,64.60
(f) Stamp papers	12,58.61	11,30.71
(g) Others non-financial assets (Net of provision ₹ 217.28 lakhs; March 31, 2023 ₹ 234.16 lakhs)	26,18.00	16,86.53
Total	222,70.01	189,87.31

16 Derivative financial instruments as at March 31, 2024

(₹ in lakhs)

Particulars	Notional Amounts	Fair Value Assets	Notional Amounts	Fair Value Liabilities
	Currency derivatives			
Forward exchange contracts	-	-	183,118.34	4,91.29
Currency Swaps	-	-	-	-
Subtotal	-	-	183,118.34	4,91.29
Interest rate derivatives				
Interest Rate Swaps	1831,18.34	13,42.21	-	-
Subtotal	1831,18.34	1,342.21	-	-
Other derivatives				
Cross currency interest rate swaps	538,96.25	89,02.02	-	-
Subtotal	538,96.25	89,02.02	-	-
Total Derivative Financial Instruments	2370,14.59	102,44.23	1831,18.34	4,91.29
Derivative designated as hedge				
Cash flow hedging:				
Forward exchange contracts	-	-	1831,18.34	4,91.29
Cross currency interest rate swaps	538,96.25	89,02.02	-	-
Interest rate swaps	1831,18.34	13,42.21	-	-
Subtotal	237,014.59	10,244.23	183,118.34	491.29
Undesignated Derivatives				
Interest Rate Swaps	-	-	-	-
Subtotal	-	-	-	-
Total Derivative Financial Instruments	2370,14.59	102,44.23	1831,18.34	4,91.29

Refer Note 43 on Financial Risk Management for maturity analysis of Derivative financial liabilities at March 31, 2024.

Derivative financial instruments as at March 31, 2023

(₹ in lakhs)

Particulars	Notional Amounts	Fair Value Assets	Notional Amounts	Fair Value Liabilities
Currency derivatives				
Forward exchange contracts			179,63.75	14,86.64
Currency Swaps				
Subtotal		-	179,63.75	14,86.64
Interest rate derivatives				
Interest Rate Swaps	179,63.75	11,06.20		
Subtotal	179,63.75	11,06.20	-	-
Other derivatives				
Cross currency interest rate swaps	649,67.75	99,33.29		
Subtotal	649,67.75	99,33.29	-	-
Total Derivative Financial Instruments	829,31.50	110,39.49	179,63.75	14,86.64
Derivative designated as hedge				
Cash flow hedging:				
Forward exchange contracts			179,63.75	14,86.64
Cross currency interest rate swaps	649,67.75	99,33.29		
Interest rate swaps	179,63.75	11,06.20		
Fair value hedging:				
Interest Rate Derivative				
Subtotal	829,31.50	110,39.49	179,63.75	14,86.64
Undesignated Derivatives				
Interest Rate Swaps		-		-
Subtotal	-	-	-	-
Total Derivative Financial Instruments	829,31.50	110,39.49	179,63.75	14,86.64

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

17 Payables

(₹ in lakhs)

Particulars	As at March 31	As at Mar 31
	<u>2024</u>	<u>2023</u>
(a) Trade Payables		
(i) total outstanding dues of creditors other than micro enterprises and small enterprises	13,18.89	13,54.76
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	267,44.22	229,85.23
Total (A)	<u>280,63.11</u>	<u>243,39.99</u>
(b) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	110,83.84	87,45.16
Total (B)	<u>110,83.84</u>	<u>87,45.16</u>
Total (A+B)	<u>391,46.95</u>	<u>330,85.15</u>

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.

Note: According to the information available with the management, on the basis of intimation received from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the Company has amounts due to micro and small enterprises under the said Act as at March 31, 2024 as follows :

(₹ in lakhs)

Particulars	As at March 31	As at Mar 31
	<u>2024</u>	<u>2023</u>
(a) Principal amount due	13,18.89	13,54.76
(b) Interest due on above	-	-
(c) Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) Amount of interest due and payable for the period of delay	-	-
(e) Amount of interest accrued and remaining unpaid as at year end	-	-
(f) Amount of further remaining due and payable in the succeeding year	-	-

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

17 Payables

Trade Payables aging schedule

Ageing of trade payable at March 31, 2024 is given below-

(₹ in lakhs)

As at March 31, 2024

Particulars	Not due	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	11,55.03	-	163.86	-	-	-	13,18.89
(ii) Others	160,19.73	35,91.47	62,83.65	2,42.52	383.74	2,23.11	267,44.22
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	<u>171,74.76</u>	<u>35,91.47</u>	<u>64,47.51</u>	<u>2,42.52</u>	<u>383.74</u>	<u>2,23.11</u>	<u>280,63.11</u>

Ageing of trade payable at March 31, 2023 is given below-

(₹ in lakhs)

As at March 31, 2023

Particulars	Not due	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	10,66.67	2,83.20	,4.89	-	-	-	13,54.76
(ii) Others	176,52.16	24,72.10	24,86.72	1,59.74	,61.30	1,53.21	229,85.23
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	<u>187,18.83</u>	<u>27,55.30</u>	<u>24,91.61</u>	<u>1,59.74</u>	<u>,61.30</u>	<u>1,53.21</u>	<u>243,39.99</u>

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

18 Debt securities (at amortised cost)

Particulars	(₹ in lakhs)	
	As at March 31	As at Mar 31
	2024	2023
(a) Privately placed non-convertible debentures		
(i) Secured (Refer Note #)	-	998,95.45
(ii) Unsecured	5299,38.73	5708,30.04
(b) Commercial Paper		
(i) Unsecured (net of unamortised discounting charges and borrowing cost of ₹ 5,600.31 lakhs; March 31, 2023 ₹ 20,737.91 lakhs)	1968,99.69	4846,62.09
Total (A)	7268,38.42	11553,87.58
i. Debt securities in India	7268,38.42	11553,87.58
ii. Debt securities outside India	-	-
Total (B)	7268,38.42	11553,87.58

Nature of security for secured borrowings outstanding

As on March 31, 2024 there is nil outstanding against secured non-convertible debentures of the Company.

The security created for proposed secured non-convertible debentures include first pari passu charge by way of registered mortgage on one of the Company's residential flat, all receivables of the Company arising out of loan and lease transactions, all other book debts, trade advances forming part of movable assets of the Company and any other security as identified by the Company and acceptable to the debenture trustee, hypothecation on the Movable properties of the company as defined in the relevant security documents.

Since, no secured NCDs were outstanding as of March 31 2024, no security cover is required to be maintained.

Details of non-cumulative debentures (secured)

From Balance sheet Date	(₹ in lakhs)			
	As at March 31, 2024		As at Mar 31, 2023	
	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
Total Face Value		-		1000,00.00
Less: Unamortised borrowing cost		-		1,04.55
Total Amortised cost		-		998,95.45

Details of non cumulative debentures (unsecured)

From Balance sheet Date	(₹ in lakhs)			
	As at March 31, 2024		As at Mar 31, 2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Issued on private placement basis				
Repayable on Maturity:				
Maturing within 1 Year	7.02% to 10.54	3515,02.51	7.97% to 7.97%	600,00.00
Maturing between 1 year to 3 Years	7.69% to 8.53%	2186,96.64	7.02% to 9.49%	3904,34.65
Maturing between 3 Years to 5 Years		-	8.40% to 8.53%	1797,64.58
Total Face Value		5701,99.15		6301,99.23
Less: Unamortised borrowing cost		402,60.42		593,69.19
Total Amortised cost		5299,38.73		5708,30.04

Details of commercial papers (unsecured)

From Balance sheet Date	(₹ in lakhs)			
	As at March 31, 2024		As at Mar 31, 2023	
	Interest Rate	Amount	Interest Rate	Amount
Repayable on Maturity:				
Maturing within 1 Year	8.32% to 8.50%	2025,00.00	6.70% to 7.30%	5054,00.00
Total Face Value		2025,00.00		5054,00.00
Less: Unamortised discounting charges		56,00.31		207,37.91
Total Amortised cost		1968,99.69		4846,62.09

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19 Borrowings (Other than debt securities) (at amortised cost)

(₹ in lakhs)

Particulars	As at March 31	As at Mar 31
	2024	2023
(a) Term loans from banks		
(i) Secured	19826,73.45	18396,27.81
(iii) Unsecured	2463,71.89	3692,45.33
(b) Loans repayable on demand from banks		
(i) Secured (refer note i)	2740,00.00	1910,00.00
(ii) Unsecured	174,90.00	-
(c) Cash credit from banks (secured) (refer note ii)	143,03.94	74,98.01
(d) Collateralised debt obligation (secured) (refer note (iii) below)	-	74,87.24
Total (A)	25348,39.28	24148,58.39
i. Borrowings in India	22867,93.95	23206,10.50
ii. Borrowings outside India	2480,45.33	942,47.89
Total (B)	25348,39.28	24148,58.39

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 factoring 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.
- e) External Commercial borrowings is secured by way of first parri passu charge in favour of lenders on receivables of the Company.

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 factoring 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.

Note (v)

The Company has utilized all it's borrowings from Banks & Financial Institutions for the purpose they have been borrowed.

Details of term loans from banks (secured)

(₹ in lakhs)

Particulars	As at March 31, 2024		As at 31 March, 2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
1 Repayable on Maturity:				
Maturing within 1 Year	7.40% to 9.11%	2005,00.00	7.77% to 8.97%	2825,00.00
Maturing between 1 year to 3 Years	8.79% to 8.79%	200,00.00	7.40% to 8.88%	875,00.00
Maturing between 3 Years to 5 Years				
Total repayable on maturity (A)		2205,00.00		3700,00.00
2 Repayable in Installments:				
i. On quarterly basis				
Maturing within 1 Year	8.25% to 9.80%	3695,79.91	7.40% to 9.15%	3596,51.45
Maturing between 1 year to 3 Years	8.25% to 9.40%	4496,43.64	7.71% to 10.00%	5198,29.76
Maturing between 3 Years to 5 Years	8.25% to 9.10%	1414,06.10	7.50% to 8.95%	1222,35.72
Subtotal (B)		9606,29.65		10017,16.93
ii. On half yearly basis				
Maturing within 1 Year	8.50% to 9.85%	909,44.88	7.75% to 8.80%	883,75.00
Maturing between 1 year to 3 Years	8.50% to 9.10%	2842,91.43	7.25% to 8.80%	1218,54.17
Maturing between 3 Years to 5 Years	8.50% to 8.85%	1289,51.19	7.40% to 8.95%	883,33.33
Subtotal (C)		5041,87.50		2985,62.50
iii. On yearly basis				
Maturing within 1 Year	7.85% to 9.05%	200,00.00	7.60% to 8.80%	266,66.67
Maturing between 1 year to 3 Years	9.05% to 9.05%	200,00.00	7.60% to 8.70%	300,00.00
Maturing between 3 Years to 5 Years	9.05% to 9.05%	100,00.00	8.70% to 8.70%	200,00.00
Subtotal (D)		500,00.00		766,66.67
Total repayable on installments (E = B+C+D)		15148,17.15		13769,46.10
Total term loans as per contractual terms (F = A+E)		17353,17.15		17469,46.10
Less: Unamortised borrowing costs		6,89.03		15,66.18
Total Amortised cost (G)		17346,28.12		17453,79.92

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Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

Details of external commercial borrowings (USD)

(₹ in lakhs)

Particulars	As at March 31, 2024		As at 31 March, 2023	
	Interest Rate	Amount	Interest Rate	Amount
	Range (Refer note)		Range (Refer note)	
Repayable on Maturity:				
Maturing within 1 Year	9.04% to 9.17%	83,382.12	7.90% to 7.90%	12,325.50
Maturing between 1 year to 3 Years	8.62% to 8.78%	1650,87.54	8.97% to 9.16%	822,19.37
Maturing between 3 Years to 5 Years				
Total repayable on maturity		2484,69.66		945,44.87
Less: Unamortised borrowing costs		4,24.33		2,96.98
Total Amortised cost (H)		2480,45.33		942,47.89
Note				
Represents effective interest rates which includes cost of hedging.				
Grand Total (I=G+H)		1,982,673.45		1,839,627.81

Details of term loans from banks (unsecured)

(₹ in lakhs)

Particulars	As at March 31, 2024		As at 31 March, 2023	
	Interest Rate	Amount	Interest Rate	Amount
	Range		Range	
1 Repayable on Maturity:				
Maturing within 1 Year	7.90% to 8.90%	210,00.00		-
Maturing between 1 year to 3 Years		-	8.40% to 8.40%	210,00.00
Maturing between 3 Years to 5 Years	8.80% to 8.90%	400,00.00	8.25% to 8.65%	400,00.00
Total repayable on maturity (A)		610,00.00		610,00.00
2 Repayable in Installments:				
i. On quarterly basis				
Maturing within 1 Year	9.05% to 9.05%	62,50.00	8.60% to 8.60%	62,50.00
Maturing between 1 year to 3 Years	9.05% to 9.05%	125,00.00	8.60% to 8.60%	125,00.00
Maturing between 3 Years to 5 Years		-	8.60% to 8.60%	62,50.00
Subtotal (B)		187,50.00		250,00.00
ii. On half yearly basis				
Maturing within 1 Year	8.80% to 9.20%	666,66.67	7.80% to 8.85%	416,66.67
Maturing between 1 year to 3 Years	8.80% to 8.80%	250,00.00	7.80% to 8.85%	916,66.67
Maturing between 3 Years to 5 Years				
Subtotal (C)		916,66.67		1333,33.34
iii. On yearly basis				
Maturing within 1 Year	8.70% to 8.95%	750,00.00	7.95% to 8.10%	750,00.00
Maturing between 1 year to 3 Years		-	7.95% to 8.10%	750,00.00
Subtotal (D)		750,00.00		1500,00.00
Total repayable on installments (E = B+C+D)		1854,16.67		3083,33.34
Total term loans as per contractual terms (G = A+F)		2464,16.67		3693,33.34
Less: Unamortised borrowing costs		44.78		,88.01
Total Amortised cost		2463,71.89		3692,45.33

Details of loans repayable on demand from banks (secured)

(₹ in lakhs)

Particulars	As at March 31, 2024		As at 31 March, 2023	
	Interest Rate	Amount	Interest Rate	Amount
	Range		Range	
Maturing within 1 Year	7.70% to 8.50%	2740,00.00	7.50% to 8.30%	1910,00.00
Total		274,000.00		191,000.00
Less: Unamortised borrowing costs		-		-
Net		274,000.00		191,000.00

Details of loans repayable on demand from banks (unsecured)

(₹ in lakhs)

Particulars	As at March 31, 2024		As at 31 March, 2023	
	Interest Rate	Amount	Interest Rate	Amount
	Range		Range	
Maturing within 1 Year	8.08% to 8.08%	17,490.00	-	-
Maturing between 1 year to 3 Years	-	-		
Total		17,490.00		-
Less: Unamortised borrowing costs		-		-
Net		17,490.00		-

Details of cash credit facilities (secured)

(₹ in lakhs)

Particulars	As at March 31, 2024		As at 31 March, 2023	
	Interest Rate	Amount	Interest Rate	Amount
	Range		Range	
Maturing within 1 Year	8.90% to 9.05%	143,03.94	7.95% to 7.95%	74,98.01
Maturing between 1 year to 3 Years		-		-
Total		14,303.94		7,498.01
Less: Unamortised borrowing costs		-		-
Net		14,303.94		7,498.01

Details of collateralised debt obligation

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

(₹ in lakhs)

Particulars	As at March 31, 2024		As at 31 March, 2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Repayable on Maturity:				
Maturing within 1 Year		-	6.40% to 8.00%	74,87.24
Maturing between 1 year to 3 Years		-		-
Maturing between 3 Years to 5 Years		-		-
Total		<u>-</u>		<u>74,87.24</u>
Less: Unamortised borrowing costs		-		-
Net		<u>-</u>		<u>74,87.24</u>

20 Subordinated Liabilities (at amortised cost)

(₹ in lakhs)

Particulars	As at March 31	As at Mar 31
	2024	2023
(a) Perpetual Debt Instruments to the extent that do not qualify as equity (unsecured)	50,10.50	124,81.59
(b) Privately placed subordinated unsecured redeemable, non-convertible debentures	<u>434,38.02</u>	<u>588,48.09</u>
Total (A)	<u><u>484,48.52</u></u>	<u><u>713,29.68</u></u>
i. Debt securities in India	484,48.52	713,29.68
ii. Debt securities outside India	-	-
Total (B)	<u><u>484,48.52</u></u>	<u><u>713,29.68</u></u>

Particulars	As at March 31, 2024		As at 31 March, 2023	
	₹ in Lakhs	Face Value (₹)	₹ in Lakhs	Face Value (₹)
11.03% TMFL Perpetual "A" FY 2013-14	-	-	52,70.00	5 Lakhs
11.33% TMFL Perpetual "B" FY 2013-14	-	-	22,30.00	10 Lakhs
11.10% TMFL Perpetual "A" FY 2014-15	<u>50,30.00</u>	10 Lakhs	<u>50,30.00</u>	10 Lakhs
	<u>50,30.00</u>		<u>125,30.00</u>	
Less : Unamortised Borrowing Cost	19.50		48.41	
Total	<u><u>50,10.50</u></u>		<u><u>124,81.59</u></u>	

*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 as per the terms of relevant offer document.

Details of Subordinated liabilities in the nature of Tier II unsecured redeemable non-convertible debentures

(₹ in lakhs)

Particulars	As at March 31, 2024		As at 31 March, 2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Issued on private placement basis				
Repayable on Maturity:				
Maturing within 1 Year	9.70% to 10.60%	235,00.00	9.85% to 10.15%	155,10.00
Maturing between 1 year to 3 Years		-	9.70% to 10.60%	235,00.00
Maturing between 3 Years to 5 Years	8.35% to 10.00%	200,00.00	8.35% to 8.35%	50,00.00
Maturing beyond 5 Years		-	10.00% to 10.00%	150,00.00
Total Face Value		<u>435,00.00</u>		<u>590,10.00</u>
Less: Unamortised borrowing cost		61.98		1,61.91
Total Amortised cost		<u><u>434,38.02</u></u>		<u><u>588,48.09</u></u>

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
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21 Other financial liabilities

(₹ in lakhs)

Particulars	As at March 31	As at Mar 31
	2024	2023
(a) Interest accrued on borrowings	145,87.29	232,44.04
(b) Unpaid dividends	-	0.23
(c) Accrual for Compulsorily Convertible Preference Shares	26,04.00	26,04.00
(d) Lease liability for right of use assets	81,67.74	83,89.28
(e) Payable for assigned receivables	437,31.64	446,57.38
(f) Deposits	20,13.98	16,05.47
(g) Others	473,33.48	223,75.82
Total	1184,38.13	1028,76.22

22 Provisions

(₹ in lakhs)

Particulars	As at March 31	As at Mar 31
	2024	2023
(a) Provision for leave encashment	11,21.33	10,32.41
(b) Provision for gratuity	751.78	1.00
(c) Provision for indirect taxes	68,92.43	68,92.43
(d) Provision for consumer disputes	11,18.99	119.55
(e) Provision for expenses	12,08.45	20,98.18
Total	110,92.98	101,43.57

Movement of provisions during the year as required by Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Asset"

(a) Provision for indirect taxes

(₹ in lakhs)

Particulars	As at March 31	As at Mar 31
	2024	2023
Opening balance	68,92.43	66,26.52
Add : Provision during the year	-	2,65.91
Less : Utilisation/reversal during the year	-	-
Closing balance	68,92.43	68,92.43

(b) Provision for consumer disputes

(₹ in lakhs)

Particulars	As at March 31	As at Mar 31
	2024	2023
Opening balance	119.55	72.54
Add : Provision during the year	10,21.99	1,07.93
Less : Utilisation/reversal during the year	22.55	60.92
Closing balance	11,18.99	119.55

23 Other non-financial liabilities

(₹ in lakhs)

Particulars	As at March 31	As at Mar 31
	2024	2023
Statutory dues	54,88.83	54,61.60
Others	19,70.92	25,65.73
Total	74,59.75	80,27.33

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
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24A Equity Share Capital

(₹ in lakhs)

Particulars	As at March 31		As at Mar 31	
	2024		2023	
	No. of shares	₹	No. of shares	₹
A Authorised				
Equity Shares of Rs.10 each with voting rights	2,500,000,000	2500,00.00	2,500,000,000	2500,00.00
		<u>2500,00.00</u>		<u>2500,00.00</u>
B Issued, Subscribed and Fully Paid up				
Equity shares of Rs. 10 each	1,741,593,442	1741,59.34	1,741,593,442	1741,59.34
Total		<u>1741,59.34</u>		<u>1741,59.34</u>

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

(₹ in lakhs)

Particulars	As at March 31		As at Mar 31	
	2024		2023	
	No. of shares	₹	No. of shares	₹
(a) Shares outstanding at the beginning of the year	1,741,593,442	1741,59.34	1,648,283,442	1648,28.34
Equity Shares Issued on conversion of CCPS during the year				
(b) (Refer Note 1 below)	-	-	93,310,000	93,31.00
Shares outstanding at the end of the year	<u>1,741,593,442</u>	<u>1741,59.34</u>	<u>1,741,593,442</u>	<u>1741,59.34</u>

Note 1:- During the financial year ended March 31, 2023, the Company had converted the outstanding Compulsorily Convertible Preference Share (CCPS) at pre-determined conversion ratio. On conversion of CCPS, the Company had issued 9,33,10,000 equity shares of face value of Rs. 100 each against 4,34,00,000 no. of CCPS of face value of Rs. 100 each.

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

Particulars	As at March 31		As at Mar 31	
	2024		2023	
	No. of shares	% of Issued Share Capital	No. of shares	% of Issued Share Capital
Equity shares with voting rights				
Tata Motors Limited	1,741,593,442	100%	1,741,593,442	100%

c) Details of shares held by each shareholder holding more than 5 percent of the issued share capital:

Particulars	As at March 31		As at Mar 31	
	2024		2023	
	No. of shares	% of Issued Share Capital	No. of shares	% of Issued Share Capital
Equity Share with voting rights				
Tata Motors Limited	1,741,593,442	100%	1,741,593,442	100%

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

The company has not declared dividends during the financial year ended March 31, 2024 and March 31, 2023

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24B Equity Component of Compound Financial Instrument

(₹ in lakhs)

Particulars	As at March 31 2024		As at Mar 31 2023	
	No. of shares	₹	No. of shares	₹
A <u>Authorised</u>				
Preference shares of ₹ 100 each	75,000,000	750,00.00	75,000,000	750,00.00
		<u>750,00.00</u>		<u>750,00.00</u>
B <u>Issued, Subscribed and Fully Paid up</u>				
Equity portion of cumulative, non-participating Compulsorily convertible preference share (CCPS) of ₹ 100 each	-	-	-	-
Total		<u>-</u>		<u>-</u>

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

(₹ in lakhs)

Particulars	As at March 31 2024		As at Mar 31 2023	
	No. of shares	₹	No. of shares	₹
(a) Shares outstanding at the beginning of the year	-	-	43,400,000	370,72.59
(b) Shares converted into equity during the year (Refer note (c) below)	-	-	(43,400,000)	(37,072.59)
Shares outstanding at the end of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

(₹ in lakhs)

Particulars	As at March 31 2024		As at Mar 31 2023	
	No. of shares	% of holding	No. of shares	% of holding
Tata Motors Limited	-	-	-	-

c) Terms/rights attached to preference shares

The holding Company had cumulative, non-participating compulsorily convertible preference shares (CCPS) having a face value of Rs. 100 each. The holders of the CCPS were entitled for dividend @ 3% on a yearly basis, in preference to the equity shareholders of the holding Company, subject to applicable law and availability of profits of the holding Company, after provision for depreciation. The CCPS were fully and mandatorily convertible into equity shares of the holding 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.

However, during the finance year ended March 31, 2023, the group had converted the outstanding Compulsorily convertible preference share (CCPS) at pre-determined conversion ratio. On conversion of CCPS, the holding Company has issued 9,33,10,000 equity shares of face value of Rs. 100 each against 4,34,00,000 no. of CCPS of face value of Rs. 100 each.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

24C (I) Other components of equity

(1) The movement of equity instruments through other comprehensive income (OCI) is as follows :-

	(₹ in lakhs)	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	144,65.05	147,44.35
Other comprehensive income for the year	33,88.28	(2,79.30)
Balance at the end of the year	178,53.33	144,65.05

(2) The movement of hedging reserve is as follows :-

	(₹ in lakhs)	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	21,95.82	(9,21.58)
Gain/(loss) recognised on cash flow hedges	(5,55.00)	31,17.40
Balance at the end of the year	16,40.82	21,95.82

(3) The movement of cost of hedging reserve is as follows :-

	(₹ in lakhs)	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	(6,35.91)	(4,57.04)
Gain/(loss) recognised on cash flow hedges - Gain/(Loss)	21,41.28	(1,78.87)
Balance at the end of the year	1505.37	(6,35.91)

(4) The movement of debt instruments through other comprehensive income is as follows :-

	(₹ in lakhs)	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	381,34.81	323,23.09
Gain/(loss) on fair value of debt instruments (net of ECL and tax effects)	(55,64.00)	58,11.72
Balance at the end of the year	325,70.81	381,34.81

(5) Summary of other components of equity :-

	(₹ in lakhs)	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Equity instruments through other comprehensive income	178,53.33	144,65.05
Hedging Reserve	16,40.82	21,95.82
Cost of hedging reserve	15,05.37	(6,35.91)
Debt instruments through other comprehensive income	325,70.81	381,34.81
Total	535,70.33	541,59.77

(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 on the FAQ issued by the Ind AS Transition Facilitation Group.

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 Group 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.

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25 Interest Income

	(₹ in lakhs)	
Particulars	For the year ended March 31	For the year ended March 31
	2024	2023
On Financial Assets measured at Amortised Cost		
(a) Interest on loans	2316,31.42	2765,68.66
(b) Interest income from investments	99,18.36	71,78.88
(c) Interest on deposits with banks	46,81.61	70,03.19
(d) Other interest income	6,80.54	15,54.05
On Financial Assets measured at Fair Value through Other Comprehensive Income		
(a) Interest on loans	1380,72.90	1400,30.18
On Financial Assets measured at Fair Value through Profit & Loss		
(a) Interest income from investments	-	1,62.98
Total	3849,84.83	4324,97.94

26 Net gain on fair value changes

	(₹ in lakhs)	
Particulars	For the year ended March 31	For the year ended March 31
	2024	2023
(a) Net gain on financial instruments at fair value through profit or loss	760,61.58	164,93.69
Total	760,61.58	164,93.69
Fair value changes:		
(a) Realised	142,04.60	159,55.62
(b) Unrealised	618,56.98	5,38.07
Total	760,61.58	164,93.69

27 Fees and commission income

	(₹ in lakhs)	
Particulars	For the year ended March 31	For the year ended March 31
	2024	2023
(a) Commission on insurance agency business (Note 1)	2,216.24	-
(b) Co-sourcing commission	4,998.16	3,520.74
(c) Servicing fees for loan assigned	2,121.63	2,156.01
(d) Other fees & charges	8,966.48	11,866.74
Total	183,02.51	175,43.49

28 Other Income

	(₹ in lakhs)	
Particulars	For the year ended March 31	For the year ended March 31
	2024	2023
(a) Support services income	61,11.92	110,71.62
(b) Balances written back	6,23.77	15,65.11
(c) Net gain on derecognition of property, plant and equipment	1,07.30	-
(d) Miscellaneous income	11,66.25	3,89.08
Total	80,09.24	130,25.81

29 Finance Costs (on financial liabilities measured at amortised cost)

(₹ in lakhs)

Particulars	For the year	For the year ended
	ended March 31 2024	March 31 2023
(a) Interest on borrowings	1853,60.57	1886,98.04
(b) Interest on debt securities	804,41.68	910,38.05
(c) Interest on subordinated liabilities	53,11.94	79,60.07
(d) Interest expense on lease liability	6,77.21	6,48.78
(e) Other finance charges	31.02	1,07.53
Total	2718,22.42	2884,52.47

30 Impairment on financial instruments

(₹ in lakhs)

Particulars	For the year	For the year ended
	ended March 31 2024	March 31 2023
Loans (at amortised cost)		
(a) Allowance for loan losses	(762,58.48)	(184,51.72)
(b) Loans written off (net of recoveries of ₹ 158,19.86 lakhs for the year ended March 31, 2024; ₹ 171,85.85 lakhs for year ended March 31, 2023)	1749,39.90	2032,55.63
Investments (at amortised cost)		
(a) Allowance for investments	(11,00.87)	-
(b) Investments written off	11,00.87	-
Loans (at FVOCI)		
(a) Allowance for loan losses	113,12.05	202,84.81
Other financial assets		
(a) Allowance for doubtful assets	27,00.20	(12,02.92)
(b) Balances written off	143.79	9.02
Total	1128,37.46	2038,94.82

31 Employee Benefits Expenses

(₹ in lakhs)

Particulars	For the year	For the year ended
	ended March 31 2024	March 31 2023
(a) Salaries	459,25.13	348,21.07
(b) Contribution to provident and other funds	25,68.28	19,26.70
(c) Staff welfare expenses	23,12.11	18,75.01
Total	508,05.52	386,22.78

32 Other expenses

(₹ in lakhs)

Particulars	For the year	For the year ended
	ended March 31	March 31
	2024	2023
(a) Rent, taxes and energy costs	46,62.46	10,62.80
(b) Repairs and maintenance	4,52.06	4,01.88
(c) CSR expense	2,78.56	4,77.63
(d) Communication Costs	5,61.81	5,93.24
(e) Printing and stationery	2,49.40	2,68.05
(f) Advertisement and publicity	5,36.73	6,75.48
(g) Director's fees, allowances and expenses	3,54.50	3,99.30
(h) Auditor's fees and expenses (refer note (i))	1,73.91	1,87.77
(i) Legal and Professional charges	93,63.79	65,55.92
(j) Insurance	90,43.95	61,50.63
(k) Commission	66,37.25	70,84.24
(l) Cenvat credit reversal	52,25.81	66,05.93
(m) Service Provider Fees	174,68.54	242,84.98
(n) Net loss on derecognition of property, plant and equipment	5,43.06	30.92
(o) Travelling and Conveyance	21,11.57	14,52.51
(p) Loss on assets held for sale	33,72.41	71,04.53
(q) Others expenses	51,01.43	48,83.94
Total	661,37.24	682,19.75

(i) Auditors' remuneration (excluding Goods and Service Tax):

(₹ in lakhs)

Particulars	For the year	For the year ended
	ended March 31	March 31
	2024	2023
(a) As auditors - statutory audit	1,22.60	1,22.14
(b) Tax audit	26.36	14.90
(c) For other services	15.85	43.85
(d) Reimbursement of out of pocket expenses	9.10	6.88
Total	1,73.91	1,87.77

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33A 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.

Particulars	For the year ended	For the year ended
	March 31	March 31
	2024	2023
Basic		
Weighted average no. of equity shares outstanding	1,741,593,442	1,741,593,442
Net profit attributable to equity share holders	(426,84.58)	(1297,21.04)
Basic earnings per share (Rs.)	(2.45)	(7.45)
Diluted		
Weighted average no. of equity shares outstanding	1,741,593,442	1,741,593,442
Net profit	(426,84.58)	(1297,21.04)
Diluted earnings per share (Rs.)	(2.45)	(7.45)
Face value per share (Rs.)	10	10
Note 1 - Calculation of net profit attributable to equity share holders		
Profit after tax as per statement of profit and loss	(116,99.10)	(1012,97.27)
Less - Distribution made to holders of perpetual instruments	(309,85.48)	(284,23.77)
Net profit/ (Loss) attributable to equity share holders	(426,84.58)	(1297,21.04)

33B (i) During the three months ended June 30, 2023, pursuant to demerger of Non-Banking Finance business (NBFC undertaking) of TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) (TMFBSL) [formerly known as Tata Motors Finance Limited] into TMF Business Services Limited (Formerly known as Tata Motors Finance Limited)[formerly known as Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited)], assets and liabilities of NBFC undertaking were transferred from TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) [formerly known as Tata Motors Finance Limited] to TMF Business Services Limited (Formerly known as Tata Motors Finance Limited)[formerly known as Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited)] at their respective book value. The Company has received 326,889,441 equity shares having face value of Rs. 100 each of TMF Business Services Limited (Formerly known as Tata Motors Finance Limited)[formerly known as Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited)]. Post demerger, proportionate carrying value of investments into equity shares of TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) (TMFBSL) [formerly known as Tata Motors Finance Limited] has been reallocated to carrying value of investments in TMF Business Services Limited (Formerly known as Tata Motors Finance Limited)[formerly known as Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited)] in the same ratio as the net book value of the assets transferred in the demerger bears to the networth of the TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) (TMFBSL) [formerly known as Tata Motors Finance Limited] immediately before such demerger. Accordingly, value of investment in equity shares of TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) (TMFBSL) [formerly known as Tata Motors Finance Limited] was reduced and value of investments in equity shares of TMF Business Services Limited (Formerly known as Tata Motors Finance Limited)[formerly known as Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited)] is increased by Rs. 5544,59.28 lakhs.

34 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.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
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35 Contingent liabilities and commitments :-

1 Contingent liabilities to the extent not provided for:

A Claims against the group not acknowledged as debts:	Particulars	(₹ in lakhs)	
		As at March 31	As at Mar 31
		2024	2023
	In respect of consumer disputes	25,77.55	28,07.83
	In respect of bonus under the Payment of Bonus (Amendment) Act, 2015	-	-
	Total	25,77.55	28,07.83

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:

Particulars	(₹ in lakhs)	
	As at March 31	As at Mar 31
	2024	2023
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. 15,27.59 lakhs (as at March 31, 2023: Rs. 80.85 lakhs)

B Other commitments

a) Loan commitment towards vehicle financing Rs. 1904,24.61 lakhs (as at March 31, 2023: Rs. 14,82.53 lakhs)

36 Employee benefit

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. 96.15 lakhs (previous year Rs. 1,05.00 lakhs) has been recognised in the Consolidated Statement of Profit and Loss.

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

a) Changes in defined benefit obligations

Particulars	(₹ in lakhs)	
	As at March 31	As at Mar 31
	2024	2023
Defined benefit obligation, beginning of the year	51,90.78	53,61.38
Current service cost	4,76.42	5,25.35
Interest cost	3,37.33	3,57.30
Remeasurement (gains) / losses		
Actuarial (gain) /losses arising from change in financial assumptions	60.25	11.08
Actuarial (gain) /losses arising from change in demographic assumptions	(62.21)	(63.89)
Actuarial (gain) /losses arising from change in experience adjustments	3,39.40	(3,42.22)
Benefits paid from plan assets	(10,11.21)	(6,58.22)
Benefits paid directly by the employer	-	-
Defined benefit obligation, end of the year	53,30.76	51,90.78

b) Changes in plan assets

Particulars	(₹ in lakhs)	
	As at March 31	As at Mar 31
	2024	2023
Fair value of plan assets, beginning of the year	51,89.78	48,15.53
Interest Income on plan assets	3,39.34	3,37.91
Remeasurement (gains) / losses		
Return on plan assets, (excluding amount included in net Interest expense)	3.48	1,48.71
Employer's contribution	57.59	5,45.85
Benefits paid	(10,11.21)	(6,58.22)
Fair value of plan assets, end of the year	45,78.98	51,89.78

c) Amount recognised in balance sheet consist off

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at Mar 31 2023
Present value of defined benefit obligation	(53,30.76)	(51,90.78)
Fair value of plan assets	45,78.98	51,89.78
Net (Liability) / Assets	(751.78)	(1.00)

d) Amount recognised in the Statement of Profit and Loss:

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at Mar 31 2023
Current Service Cost	4,76.42	5,25.35
Interest on Defined Benefit Obligations (Net)	(2.01)	19.39
Net Charge to the Statement of Profit and Loss	4,74.41	5,44.74

e) Amount recognised in Other Comprehensive Income(OCI) for the Year:

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at Mar 31 2023
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in interest expense/income	(3.48)	(1,48.71)
Actuarial gains/(losses) arising from changes in demographic assumptions	(62.21)	(63.89)
Actuarial gains/(losses) arising from changes in financial assumptions	60.25	11.08
Actuarial gains/(losses) arising from changes in experience adjustments on plan liabilities	3,39.40	(3,42.22)
Net impact on the other comprehensive income before tax	3,33.96	(543.74)

f) The fair value of Company's Gratuity plan asset by category

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at Mar 31 2023
Asset Category		
Insurer managed funds		
- 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:

Particulars	As at March 31	
	2024	2023
Discount rate	7.00%	7.20%
Expected return on plan assets	7.20%	7.10%
Salary Escalation rate	7.00%	8% for first Year , 7% thereafter
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.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

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

h) The maturity profile of defined benefit obligation are set out below:

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at Mar 31 2023
Within next 12 months (next annual reporting period)	5,83.20	6,06.02
Between 1 and 5 years	31,44.31	26,40.90
Between 5 and 9 years	42,27.22	39,09.36
10 years and above	-	-

i) Quantitative sensitivity analysis for significant assumptions:

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at Mar 31 2023
100 bps increase in discount rate	(2,89.17)	(3,13.13)
100 bps decrease in discount rate	3,21.23	3,51.05
100 bps increase in salary escalation rate	3,17.28	3,47.61
100 bps decrease in salary escalation rate	(2,90.53)	(3,15.47)

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:

Particulars	As at March 31 2024	As at Mar 31 2023
	The weighted average duration of the defined benefit obligation	5.81 years

k) The best estimate of the expected Contribution for the next year:

Particulars	(₹ in lakhs)	
	As at Mar 31 2024	
The Group expected contribution to the funded gratuity plans in FY 2023-24	52,11.82	

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 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.

37 Related party disclosures

(A) Related parties and their relationship

(I) Parties where the control exists:

Holding Company: Tata Motors Limited

(II) Subsidiaries

TMF Business Services Limited (Formerly known as Tata Motors Finance Limited)

Tata Motors Finance Limited (formerly known as 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

TMF Business Services Limited (Formerly known as Tata Motors Finance Limited)Employees Gratuity Scheme Trust

Tata Precision Industries (India) Limited

Automobile Corporation of Goa Limited

Tata Cummins Private Limited

Tata Passenger Electric Mobility Limited

Tata Hitachi Construction Machinery Company Private Limited

(ii) Tata Sons and its subsidiaries and Joint arrangements

Tata Sons Private 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 Communications Limited

(iii) Relatives of Key Management personnel

Ms. Sonu Mani - Non-Executive Director's Spouse

(iv) Post Employment Benefit Plans

TMF Business Services Limited (Formerly known as Tata Motors Finance Limited)Employees Gratuity Trust

(V) Key Management personnel :

Mr. Shyam Mani - Non-Executive Director (Upto August 31, 2023)

Mr. Samrat Gupta - Non-Executive Director

Mr. Nasser Munjee, Independent Director and Chairman

Mr. P. S. Jayakumar, Independent Director (Upto November 7, 2023)

Mr. N. V. Sivakumar - Independent Director (From November 7, 2023)

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

Ms. Ridhi Gangar - Chief Financial Officer

Mr. Anand Bang, Manager (From May 24, 2022)

Mrs. Varsha Purandare - Independent Director

Mr. Dhiman Gupta - Non Executive Director (from May 30, 2022)

Mr. Vinay Lavannis - Company Secretary

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

37 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, 2024

	(₹ in lakhs)		
Transactions	Holding Company	Joint venture	Other Related parties
a) Transactions during the year			
Purchase of receivable	2105,77.46	-	404,06.45
Loans and advances given	618,00.00	-	5593,93.80
Factoring transaction	14.15	-	-
Recoveries from employee benefit trust	-	-	8,11.60
Loans and advances recovered	500,00.00	-	6061,55.00
Expenses for other services (incl. reimbursement of expenses)	1,42.65	-	40,12.39
Rent Expenses	11.08	-	-
Other Expenses	-	-	15.45
Income related to financing activities	0.92	-	-
Interest income from assets given on finance lease	3,01.52	-	1,57.46
Dividend income	-	-	1,056.79
Rent Income	-	-	3,63.04
Other Income	35.58	-	-
Interest income on loans and investments	6,76.79	-	25.52
Service charges income	39.00	-	-
Interest income on channel financing / Loan	-	-	30,38.55
Short-term advances	409,22.54	-	643,53.55
Short-term advances refunded back	409,28.12	-	635,48.99
b) Balances as at			
Receivable - loans and Advances	118,01.96	-	365,55.35
Other Receivables	109,78.48	-	40,64.17
Accrued Interest income - Finance lease	28.42	-	14.32
Other Payables	74.18	-	13,83.91

The following table summarizes related-party transactions for the year ended and balances as at March 31, 2023

	(₹ in lakhs)		
Transactions	Holding Company	Joint venture	Other Related parties
a) Transactions during the year			
Purchase of fixed assets	9,74.65	-	-
Loans and advances given	2246,52.66	-	3871,79.84
Factoring transaction	678,47.34	-	-
Recoveries from employee benefit trust	-	-	5,47.11
Recovery against corporate guarantee	-	-	8,03.08
Contributions paid to employee benefit trust	-	-	5,45.85
Loans and advances recovered	2199,86.98	-	3025,60.13
Expenses for other services (incl. reimbursement of expenses)	3,44.32	-	46,50.87
Rent Expenses	23.15	-	-
Other Expenses	-	-	3,03.89
Income related to financing activities	2,39.68	-	-
Interest income from assets given on finance lease	0.01	-	-
Dividend income	-	-	49.58
Rent Income	-	-	3,58.12
Other Income	39.00	-	6.60
Interest income on loans and investments	15,68.94	-	7.32
Service charges income	-	-	2500.00
Interest income on channel financing / Loan	-	-	3535.43
b) Balances as at			
Receivable - loans and Advances	-	835.00	83268.71
Other Receivables	47,82.77	-	148.12
Accrued Interest income - Finance lease	,0.01	-	-
Other Payables	2,41.03	-	686.39
Provision on doubtful loans and investments	-	8,35.00	-

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

37 Related party disclosures

Note:

1. 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.
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. 11.08 lakhs (Rs. 23.15 lakhs for the year ended March 31, 2023) which has been adjusted against the outstanding lease liability in accordance with Ind AS 116.

Transactions and balances with Key management personnel and their relatives

	(₹ in lakhs)	
Particulars	For the year ended March 31 2024	For the year ended March 31 2023
a) Transactions		
Distributions made for Instruments entirely equity in nature	-	10.25
Interest paid on unsecured perpetual debentures	3.40	2.91
Issue of Perpetual debentures	-	
Repayment of unsecured perpetual debentures	30.00	-
Sale of asset	0.64	-
Reimbursement of insurance premium	1.65	-
b) Balances as at		
	As at March 31 2024	As at March 31 2023
Net payable - unsecured perpetual debentures	-	1,30.00

Key management personnel remuneration

	(₹ in lakhs)	
Particulars	For the year ended March 31 2024	For the year ended March 31 2023
Short term employee benefits (refer note below)	12,25.53	13,36.71

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. 334.63 lakhs and Rs. 399.30 lakhs for the year ended March 31, 2024 and 2023, respectively.

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.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

38 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, 2024:

(₹ in lakhs)

Financial assets	Amortised cost	FVTOCI	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Total carrying value
Investments	1247,64.93	168,97.55	1112,83.22	-	-	2529,45.70
Loans	14757,32.02	16749,49.88	-	-	-	31506,81.90
Trade & other receivables	60,83.69	-	-	-	-	60,83.69
Cash and cash equivalents	3013,85.35	-	-	-	-	3013,85.35
Other bank balances	107,68.91	-	-	-	-	107,68.91
Other financial assets	1091,44.46	-	-	-	-	1091,44.46
Derivative financial instruments	-	-	-	102,44.23	-	102,44.23
Total	20278,79.36	16918,47.43	1112,83.22	102,44.23	-	38412,54.24

(₹ in lakhs)

Financial liabilities	Amortised Cost	FVTOCI	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Total carrying value
Borrowings	25348,39.28	-	-	-	-	25348,39.28
Debt securities	7268,38.42	-	-	-	-	7268,38.42
Trade & other payables	391,46.95	-	-	-	-	391,46.95
Subordinated liabilities	484,48.52	-	-	-	-	484,48.52
Derivative financial instruments	-	-	-	4,91.29	-	4,91.29
Other financial liabilities	1184,38.13	-	-	-	-	1184,38.13
Total	34677,11.30	-	-	4,91.29	-	34682,02.59

The following table presents the carrying amounts of each category of financial assets and liabilities as at March 31, 2023:

(₹ in lakhs)

Financial assets	Amortised cost	FVTOCI	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Total carrying value
Investments	1233,14.95	129,96.52	698,13.86	-	-	2061,25.33
Loans	17339,61.84	16972,84.90	-	-	-	34312,46.74
Trade & other receivables	34,08.06	-	-	-	-	34,08.06
Cash and cash equivalents	4162,41.10	-	-	-	-	4162,41.10
Other bank balances	165,27.32	-	-	-	-	165,27.32
Other financial assets	909,56.31	-	-	-	-	909,56.31
Derivative financial instruments	-	-	-	110,39.49	-	110,39.49
Total	23844,09.58	17102,81.42	698,13.86	110,39.49	-	41755,44.35

(₹ in lakhs)

Financial liabilities	Amortised cost	FVTOCI	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Total carrying value
Borrowings	24148,58.39	-	-	-	-	24148,58.39
Debt securities	11553,87.58	-	-	-	-	11553,87.58
Trade & other payables	330,85.15	-	-	-	-	330,85.15
Subordinated liabilities	713,29.68	-	-	-	-	713,29.68
Derivative financial instruments	-	-	-	14,86.64	-	14,86.64
Other financial liabilities	1028,76.22	-	-	-	-	1028,76.22
Total	37775,37.02	-	-	14,86.64	-	37790,23.66

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Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

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:

Particulars	(₹ in lakhs)					
	As at March 31, 2024					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value						
Investments	1281,80.77	1281,80.77	423,24.54	-	858,56.23	1281,80.77
Derivative instruments	102,44.23	102,44.23	-	102,44.23	-	102,44.23
Loans	16749,49.88	16749,49.88	-	-	16749,49.88	16749,49.88
Total	18133,74.88	18133,74.88	423,24.54	102,44.23	17608,06.11	18133,74.88

Particulars	(₹ in lakhs)					
	As at March 31, 2024					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial assets measured at amortised cost for which fair value is disclosed						
Loans	14757,32.02	14776,51.75	-	-	14776,51.75	14776,51.75
Total	14757,32.02	14776,51.75	-	-	14776,51.75	14776,51.75

Particulars	(₹ in lakhs)					
	As at March 31, 2024					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value						
Derivative instruments	4,91.29	4,91.29	-	4,91.29	-	4,91.29
Total	4,91.29	4,91.29	-	4,91.29	-	4,91.29

Particulars	(₹ in lakhs)					
	As at March 31, 2024					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at amortised cost for which fair value is disclosed						
Borrowings	22290,45.34	22290,45.34	-	22290,45.34	-	22290,45.34
Debt securities	5299,38.73	5288,01.00	-	5288,01.00	-	5288,01.00
Subordinated liabilities	484,48.52	497,49.75	-	497,49.75	-	497,49.75
Total	28074,32.59	28075,96.09	-	28075,96.09	-	28075,96.09

Fair valuation of financial liabilities that are of short term in nature is equal to it's carrying value

The following table presents the carrying amounts of each category of financial assets and liabilities as at March 31, 2023:

Particulars	(₹ in lakhs)					
	As at March 31, 2023					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value						
Investments	828,10.38	828,10.38	590,05.40	-	238,04.98	828,10.38
Derivative instruments	110,39.49	110,39.49	-	110,39.49	-	110,39.49
Loans	16972,84.90	16972,84.90	-	-	16972,84.90	16972,84.90
Total	17911,34.77	17911,34.77	590,05.40	110,39.49	17210,89.88	17911,34.77

Particulars	(₹ in lakhs)					
	As at March 31, 2023					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial assets measured at amortised cost for which fair value is disclosed						
Loans	17339,61.84	17390,27.24	-	-	17390,27.24	17390,27.24
Total	17339,61.84	17390,27.24	-	-	17390,27.24	17390,27.24

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Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

(₹ in lakhs)

Particulars	As at March 31, 2023					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value						
Derivative instruments	14,86.64	14,86.64	-	14,86.64	-	14,86.64
Total	14,86.64	14,86.64	-	14,86.64	-	14,86.64

(₹ in lakhs)

Particulars	As at March 31, 2023					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at amortised cost for which fair value is disclosed						
Borrowings	22163,60.38	22163,85.86	-	22163,85.86	-	22163,85.86
Debt securities	6707,25.49	6614,53.16	-	6614,53.16	-	6614,53.16
Subordinated liabilities	713,29.68	722,22.86	-	722,22.86	-	722,22.86
Total	29584,15.55	29500,61.88	-	29500,61.88	-	29500,61.88

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, 2024 and March 31, 2023

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).

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, 2024 and 2023. Since significant unobservable inputs are applied in measuring the fair value of loans arising from finance activities are classified in Level 3.

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.

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.

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 classified 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.

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 :

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	17210,89.88	14310,17.85
Additions during the year	4116,74.37	6768,77.83
MTM gain/(loss) recognized in OCI	(177,22.99)	(113,43.93)
MTM gain/(loss) recognized in P&L	610,26.88	6,41.47
Realised during the year	(4152,62.03)	(3761,03.34)
Balance at the end of the year	17608,06.11	17210,89.88

39 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:

Particulars	(₹ in lakhs)			
	As at March 31, 2024		As at March 31, 2023	
	Right-of-use assets	Borrowings	Right-of-use assets	Borrowings
	Buildings	Lease Liabilities	Buildings	Lease Liabilities
Balance at the beginning of the year	75,29.80	83,89.28	66,17.53	72,09.09
Additions	15,38.41	15,38.41	26,37.48	26,37.47
Deletions	(2,88.94)	(3,32.08)	(1,73.74)	(56.62)
Depreciation expense	(16,84.26)	-	(15,51.47)	-
Interest expense	-	6,77.21	-	6,48.78
Payments	-	(21,05.08)	-	(20,49.44)
Total	70,95.01	81,67.74	75,29.80	83,89.28

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 Management for maturity analysis of lease liabilities at March 31, 2023

Set out below, are the amounts recognised in profit and loss	(₹ in lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation expense of right-of-use assets	16,84.26	15,51.46
Interest expense on lease liabilities	6,77.21	6,48.78
Rent expense- Short term leases	5,13.00	6,57.42
Leases of low value assets	3.68	3.68

40 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. 53,75.63 lakhs (Previous year: 49,58.85 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.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

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

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Within 1 year	38,12.87	31,17.15
1-2 years	10,49.22	16,83.83
2-3 years	8,02.68	6,71.64
3-4 years	3,38.72	4,72.27
4-5 years	55.84	1,07.34
Above 5 years	-	-
Total	60,59.33	60,52.23

41 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:

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Less than 1 year	82,90.94	35,14.04
1-2 years	56,18.11	25,60.94
2-3 years	52,95.40	17,99.03
3-4 years	39,16.36	14,94.96
4-5 years	3,75.42	3,72.91
Total undiscounted lease payments	234,96.23	97,41.88
Unearned finance income	(41,04.79)	(15,87.38)
Net investment in the lease	193,91.44	81,54.50

Further, Group has recognized following amounts in consolidated statement of profit and loss during the year:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Finance income on the net investment in the lease	13,90.28	8,31.00

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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

(₹ in lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Current	Non current	Total	Current	Non current	Total
I ASSETS						
1 Financial assets						
(a) Cash and cash equivalents	3013,85.35	-	3013,85.35	4162,41.10	-	4162,41.10
(b) Bank Balance other than cash and cash equivalents	107,68.91	-	107,68.91	112,44.90	52,82.42	165,27.32
(c) Derivative financial instruments	96,17.78	6,26.45	102,44.23	13,40.42	96,99.07	110,39.49
(d) Receivables		-				-
i. Trade receivables	41,42.77	-	41,42.77	30,08.66	-	30,08.66
ii. Other receivables	19,40.92	-	19,40.92	3,99.40	-	3,99.40
(e) Loans	24993,78.22	6513,03.68	31506,81.90	26189,12.33	8123,34.41	34312,46.74
(f) Investments	481,31.77	2048,13.91	2529,45.68	668,00.75	1393,24.56	2061,25.31
(g) Other financial assets	1081,34.33	10,10.13	1091,44.46	878,86.60	30,69.71	909,56.31
2 Non-financial assets						
(a) Current tax assets (net)	-	354,15.97	354,15.97	-	348,52.36	348,52.36
(b) Deferred tax assets (net)	-	16,92.06	16,92.06	-	167,90.80	167,90.80
(c) Property, plant and equipment	-	257,90.48	257,90.48	-	221,33.61	221,33.61
(d) Goodwill	-	205,18.53	205,18.53	-	205,18.53	205,18.53
(e) Other intangible assets	-	7,23.19	7,23.19	-	2,24.55	2,24.55
(f) Other non-financial assets	190,40.97	32,29.04	222,70.01	169,34.92	20,52.39	189,87.31
3 Assets held for sale	65,46.19	-	65,46.19	192,01.23	-	192,01.23
Total assets	30090,87.21	9451,23.44	39542,10.65	32419,70.32	10662,82.40	43082,52.72
II LIABILITIES						
1 Financial liabilities						
(a) Derivative financial instruments-FL	19,51.51	(14,60.22)	4,91.29	-	14,86.64	14,86.64
(b) Payables						
i. Trade payables						
- total outstanding dues of micro enterprises and small enterprises	13,18.89	-	13,18.89	13,54.76	-	13,54.76
- total outstanding dues of creditors other than micro enterprises and small enterprises	267,44.22	-	267,44.22	229,85.23	-	229,85.23
ii. Other payables						
- total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	110,83.84	-	110,83.84	87,45.16	-	87,45.16
(c) Debt securities	5442,29.49	1826,08.93	7268,38.42	6445,18.80	5108,68.78	11553,87.58
(d) Borrowings (Other than debt securities)	12386,82.71	12961,56.57	25348,39.28	10983,75.92	13164,82.47	24148,58.39
(e) Subordinated liabilities	234,26.85	250,21.67	484,48.52	229,80.77	483,48.91	713,29.68
(f) Other financial liabilities	1064,68.82	119,69.31	1184,38.13	905,44.74	123,31.48	1028,76.22
2 Non-financial liabilities						
(a) Current tax liabilities (net)	2,41.23	-	2,41.23	2,36.08	-	2,36.08
(b) Provisions	15,33.39	95,59.59	110,92.98	23,76.33	77,67.24	101,43.57
(c) Other non-financial liabilities	74,59.75	-	74,59.75	80,27.33	-	80,27.33
Total liabilities	19631,40.70	15238,55.85	34869,96.55	19001,45.12	18972,85.52	37974,30.64
Net	10459,46.51	(5787,32.41)	4672,14.10	13418,25.20	(8310,03.10)	5108,22.08

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 senior management that the Group'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 policies and risk objectives.

All hedging activities are carried out by Centralised treasury department possessing the appropriate skills, experience and supervision. The Group'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 is exposed to credit risk from its

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

Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure, being the total of the carrying amount of balances with banks, time deposits with banks, loans arising from financing activities, Investment in debt instruments, derivative instruments, 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 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, 2024, that defaults in payment obligations will occur.

The Group exposure to market risk is a function of asset liability management activities. The Company 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 Company's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee.

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. Credit 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, 2024 was Rs. 164,60.84 lakhs (March 31, 2023: Rs. 303,92.92 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 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.

(₹ in lakhs)

Particulars	Stage-1		Stage-2		Stage-3		Total	
	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss allowance
As at March 31, 2023	30367,63.47	212,08.56	2607,85.54	151,05.18	3281,78.85	1581,67.08	36257,27.56	1944,80.82
Transfers during the year								
Transfer to Stage-1	620,00.60	53,20.31	(556,49.56)	(29,32.88)	(63,51.04)	(23,87.43)	-	-
Transfer to Stage-2	(1609,02.50)	(19,49.46)	1682,53.68	36,36.82	(73,51.19)	(16,87.36)	-	-
Transfer to Stage-3	(663,93.76)	(6,53.08)	(449,98.94)	(23,20.45)	1113,92.70	29,73.53	-	-
	(1652,95.66)	27,17.77	676,05.18	(16,16.51)	976,90.47	(11,01.26)	-	-
Impact of change in credit risk on account of	-	(61,97.82)	-	140,66.25	-	1251,02.45	-	1329,70.88
Changes in Opening Credit Exposure	(38842,09.24)	(28,31.99)	(1534,03.23)	(43,73.73)	(563,98.50)	(189,84.19)	(40940,10.97)	(261,89.91)
New Credit Exposure during the year (net of Amount Written off During the year	39099,96.00	66,77.87	161,44.47	14,24.07	29,50.60	7,62.03	39290,91.07	88,63.97
	-	-	-	-	(1749,39.90)	(1749,39.90)	(1749,39.90)	(1749,39.90)
As at March 31, 2024	28972,54.57	215,74.39	1911,31.96	246,05.26	1974,81.52	890,06.21	32858,67.76	1351,85.86

(₹ in lakhs)

Particulars	Stage-1		Stage-2		Stage-3		Total	
	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss allowance
As at 31st March 2022	27938,43.00	99,86.98	6545,31.96	200,89.77	3676,32.20	1570,43.93	38160,07.16	1871,20.68
Transfers during the year								
Transfer to Stage-1	1980,37.62	116,77.48	(1773,57.75)	(43,93.87)	(206,79.86)	(72,83.61)	-	-
Transfer to Stage-2	(1754,34.35)	(8,72.09)	1796,57.05	24,85.76	(42,22.69)	(16,13.68)	-	-
Transfer to Stage-3	(502,24.93)	(2,86.87)	(1204,33.48)	(41,59.54)	1706,58.41	44,46.41	-	-
	(276,21.66)	105,18.52	(1181,34.18)	(60,67.65)	1457,55.85	(44,50.88)	-	-
Impact of change in credit risk on account of	-	(81,91.96)	-	73,75.22	-	2087,11.09	-	2078,94.35
Changes in Opening Credit Exposure	(29319,59.06)	3,47.39	(2985,09.93)	(75,74.99)	108,56.41	(22,75.60)	(32196,12.58)	(95,03.20)
New Credit Exposure during the year (net of Amount Written off During the year	32025,01.20	85,47.63	228,97.68	12,82.83	71,90.02	23,94.19	32325,88.61	122,24.64
	-	-	-	-	(2032,55.63)	(2032,55.65)	(2032,55.63)	(2032,55.65)
As at March 31, 2023	30367,63.47	212,08.56	2607,85.54	151,05.18	3281,78.85	1581,67.08	36257,27.56	1944,80.82

(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, 2024:

(₹ in lakhs)

Particulars	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						
(a) Borrowings	25348,39.28	13788,27.45	5517,61.89	9112,92.98	-	28418,82.32
(b) Trade and other payables	391,46.95	391,46.95	-	-	-	391,46.95
(c) Debt securities	7268,38.42	5667,74.79	389,32.14	1797,64.58	-	7854,71.51
(d) Subordinated liabilities	484,48.52	321,53.98	19,17.50	251,62.97	-	592,34.45
(e) Lease liabilities	81,67.74	22,27.14	20,71.83	42,81.13	15,55.90	101,36.00
(f) Other financial liabilities	1102,70.39	1069,32.85	199.06	5,34.48	26,04.00	1102,70.39
Derivatives						
(a) Derivative contracts	4,91.29	19,51.51	(14,60.22)	-	-	4,91.29
Total	34682,02.59	21280,14.67	5934,22.20	11210,36.14	41,59.90	38466,32.91

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:

(₹ in lakhs)

Particulars	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total contractual cashflows
Collateralized debt obligations	-	-	-	-	-	-

The table below provides details regarding the contractual maturities of financial liabilities, including estimated/contractual interest payments as at March 31, 2023:

(₹ in lakhs)

Particulars	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						
(a) Borrowings	24148,58.39	12876,53.82	8426,17.85	6092,89.27	-	27395,60.94
(b) Trade and other payables	330,85.15	330,85.15	-	-	-	330,85.15
(c) Debt securities	11553,87.58	6707,85.87	3634,89.86	2186,96.72	-	12529,72.45
(d) Subordinated liabilities	713,29.68	339,97.99	379,68.98	222,22.80	164,87.67	1106,77.44
(e) Lease liabilities	83,89.28	20,07.18	19,84.41	44,88.57	21,55.33	106,35.49
(f) Other financial liabilities	944,86.94	935,20.77	1,75.01	7,90.24	26,04.00	970,90.02
Derivatives						
(a) Derivative contracts	14,86.64	-	14,86.64	-	-	14,86.64
Total	37790,23.66	21210,50.78	12477,22.75	8554,87.60	212,47.00	42455,08.13

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:

(₹ in lakhs)

Particulars	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total contractual cashflows
Collateralized debt obligations	7487.24	74,87.24	-	-	-	74,87.24

(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 a 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. For 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.

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

As at the end of reporting period, the Group had following variable interest rate borrowings:

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Non derivative Financial Liabilities		
Variable rate borrowings *	22250,27.78	22922,79.43
Net Exposure	22250,27.78	22922,79.43

* 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.

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. 222,50.27 lakhs and Rs. 223,22.79 lakhs on income for the year ended March 31, 2024 and March 31, 2023 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 investments measured at fair value through other comprehensive income and fair value through profit and loss exposes the Group 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, 2024 and March 31, 2023 was ₹ 972,98.03 lakhs and ₹ 310,44.80 lakhs respectively.

(₹ in lakhs)

Particulars	Impact on profit for the year		Impact on other components of equity	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Equity price Sensitivity			
Increase in equity price by 10 %*	79,77.37	18,04.83	17,52.44	12,99.65
Decrease in equity price by 10 %*	(79,77.37)	(18,04.83)	(17,52.44)	(12,99.65)

(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.

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:

Nature of Assets	(₹ in lakhs)			
	As at March 31, 2024		As at March 31, 2023	
	Carrying amount of asset sold	Carrying amount of associated liabilities	Carrying amount of asset sold	Carrying amount of associated liabilities
Loans	-	-	106,90.83	74,87.24

Net of provision of Rs. Nil and Rs.2,60.36 lakhs as at March 31, 2024 and March 31, 2013 respectively.

45 Reconciliation of Movement in Borrowings to cash flows from financing activities

(₹ in lakhs)

Particulars	As at April 01, 2023	Cash flows (net)	Exchange difference	Amortisation / EIR adjustments	As at March 31, 2024
(a) Debt securities	11553,87.58	(4812,46.27)	-	526,97.11	7268,38.42
(b) Borrowings (Other than debt securities)	24148,58.39	1188,56.67	(1,58.30)	12,82.52	25348,39.28
(c) Subordinated liabilities	713,29.68	(230,10.00)	-	1,28.84	484,48.52
Total	36415,75.65	(3853,99.60)	(1,58.30)	541,08.47	33101,26.22

(₹ in lakhs)

Particulars	As at April 01, 2022	Cash flows (net)	Exchange difference	Amortisation / EIR adjustments	As at March 31, 2023
(a) Debt securities	12378,20.08	(883,72.22)	-	59,39.72	11553,87.58
(b) Borrowings (Other than debt securities)	25224,28.97	(1081,82.32)	16,75.83	(10,64.09)	24148,58.39
(c) Subordinated liabilities	902,18.27	(190,40.00)	-	1,51.41	713,29.68
Total	38504,67.32	(2155,94.54)	16,75.83	50,27.04	36415,75.65

46 The Parliament has approved the Code on Social Security, 2020 ('the Code') which may impact the contribution by the Group 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 Group 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.

47 Asset Held for sale

The Group 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, 2024 assets held for sale amounted to ₹ 65,46.19 lakhs (as at March 31, 2023 ₹192,01.23 lakhs). The Company expects to dispose off these assets in open market within next 1 year

As per our report of even date attached

For and on behalf of the Board of Directors

For Sudit K. Parekh & Co. LLP
Chartered Accountants
Firm Registration Number: 110512W/W100378

N. V. SIVAKUMAR
Director
(DIN - 03534101)

P.B. BALAJI
Director
(DIN - 02762983)

Nemish Kapadia
Partner
Membership No. 111929

SAMRAT GUPTA
Director
(DIN - 07071479)

ANAND BANG
Manager

Place : Mumbai
Date : May 02, 2024

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary
Membership No :- A7911

Place : Mumbai
Date : May 02, 2024

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, 2024, 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 material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2024, and its loss 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 could result in the financial accounting and reporting records being materially misstated. We have focused on user access management, change management, interface controls and	Our audit procedures to assess the IT system access management included the following: General IT controls and application controls <ul style="list-style-type: none">• 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

Sudit K. Parekh & Co. LLP
Chartered Accountants

Independent Auditor's Report (Continued)

TMF Holdings Limited

Key audit matter	How the matter was addressed in our audit
Information technology	
<p>system application controls over key financial accounting and reporting systems.</p>	<p>granting access rights, new user creation, modification, removal of user rights, user access review and preventative controls designed to enforce segregation of duties.</p> <ul style="list-style-type: none"> • 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 systems implemented/ modified, we evaluated the program development/ modification related controls to determine whether adequate controls have been established to ensure that system implemented/ modification was authorized, tested, approved. Also, we reviewed the IT audit report in order to understand the steps taken by the management towards rectification of the identified issues.

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.

Independent Auditor's Report (Continued)

TMF Holdings Limited

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, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 control 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 Statements 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

Independent Auditor's Report (Continued)

TMF Holdings Limited

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 standalone 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 Cash Flow Statement 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, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, 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".

Independent Auditor's Report (Continued)

TMF Holdings Limited

- 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, 2024, on its financial position in its Standalone Financial Statements – Refer Note 31 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 misstatement.
- v. The Company has not declared / paid any dividend during the year.
- vi. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Independent Auditor's Report (Continued)

TMF Holdings Limited

Reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March, 2024, as proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 01 April, 2023.

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

Nemish Kapadia
Partner
Membership No: 111929
ICAI UDIN No: 24111929BKEKRD3470
Place: Mumbai
Date: May 02, 2024

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)(B) 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 except the investments made in and granted unsecured loans to companies, during the year, in respect of which:

Annexure “A” to the Independent Auditors’ Report (Continued)

TMF Holdings Limited

- (a) According to the information and explanations 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 explanations 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 explanations 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 explanations 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 explanations 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)	79,000	-	79,000
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	79,000		79,000
Percentage of loans/ advances in nature of loans to the total loans	12%	-	12%

- 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.

Annexure “A” to the Independent Auditors’ Report (Continued)

TMF Holdings Limited

- 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 of March 31, 2024, 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, 2024 in respect of statutory dues referred to in sub-clause (a) 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	4,531.64	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 willful 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 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.

Annexure “A” to the Independent Auditors’ Report (Continued)

TMF Holdings Limited

- (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 is 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.

Annexure “A” to the Independent Auditors’ Report (Continued)

TMF Holdings Limited

- 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 four 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 incurred cash losses in the preceding financial year (FY 2022-23) amounting to Rs. 5,744.72 lakhs and during the current financial year amounting to Rs.12,093.64 lakhs.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly, paragraph 3(xviii) of the Order is not applicable to the Company.
- 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.

Annexure “A” to the Independent Auditors’ Report (Continued)

TMF Holdings Limited

- (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: 24111929BKERD3470

Place: Mumbai

Date: May 02, 2024

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 with reference to the Standalone Financial Statements of TMF Holdings Limited (“the Company”) as of March 31, 2024, 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 with reference to the Standalone Financial Statements and such internal financial controls with reference to the Standalone financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to the Standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“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 criteria established by the Company 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 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 with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, 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 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 with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Annexure “B” to the Independent Auditors’ Report (Continued)

TMF Holdings Limited

Meaning of Internal Financial Controls with reference to the financial statements

A company's internal financial control with reference to the Standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the Standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 financial statements

Because of the inherent limitations of internal financial controls 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 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: 24111929BKEKRD3470
Place: Mumbai
Date: May 02, 2024

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Standalone Balance Sheet as at March 31, 2024

(₹ in lakhs)

Particulars	Notes	As at March 31 2024	As at March 31 2023
I ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	4	9,21.15	37,11.53
(b) Bank balance other than cash and cash equivalents	5	104,25.49	103,85.41
(c) Receivables			
i. Trade receivables	6	48.44	-
ii. Other receivables	7	-	1,53.00
(d) Loans	8	749,54.33	1127,65.84
(e) Investments	10	7915,13.56	8011,18.09
(f) Other financial assets	9	30,94.34	30,90.75
		8809,57.31	9312,24.62
2 Non-financial assets			
(a) Current tax assets		110,54.82	76,33.03
(b) Investment Property	11	17,72.80	18,08.33
(c) Property, plant and equipment	12	41.07	46.40
(d) Other non-financial assets	13	24.18	65.27
		128,92.87	95,53.03
Total assets		8938,50.18	9407,77.65
II LIABILITIES AND EQUITY			
1 Financial liabilities			
(a) Payables	14		
(i) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises		0.07	0.07
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		74.26	67.31
(ii) Other payables			
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		-	10.75
(b) Debt securities	15	3438,48.42	3686,43.66
(c) Borrowings (Other than debt securities)	16	85,00.00	45,00.00
(d) Other financial liabilities	17	48,14.85	47,23.91
		3572,37.60	3779,45.70
2 Non-financial liabilities			
(a) Current tax liabilities		2,18.78	2,33.07
(b) Provisions	18	12.14	15.33
(c) Other non-financial liabilities	19	1,38.92	36.80
		3,69.84	2,85.20
3 Equity			
(a) Equity share capital	20	1741,59.34	1741,59.34
(b) Instruments entirely equity in nature	20A	1800,00.00	1800,00.00
(c) Other equity		1820,83.40	2083,87.41
		5362,42.74	5625,46.75
Total liabilities and equity		8938,50.18	9407,77.65

See accompanying notes forming part of standalone financial statements (1 to 50)

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

N. V. SIVAKUMAR
Director
(DIN - 03534101)

P.B. BALAJI
Director
(DIN - 02762983)

Nemish Kapadia
Partner
Membership No. 111929

SAMRAT GUPTA
Director
(DIN - 07071479)

ANAND BANG
Manager

Place : Mumbai
Date: May 2, 2024

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary
Membership No :- A7911

Place: Mumbai
Date: May 02, 2024

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Standalone Statement of Profit and Loss for the year ended March 31, 2024

(₹ in lakhs)

Particulars	Notes	For the year ended March 31	For the year ended March 31
		2024	2023
I Revenue from operations			
(a) Interest income	21	125,07.80	126,90.17
(b) Dividend income		-	-
(c) Rental income		4,54.08	4,54.08
(d) Net gain on fair value changes	22	13,01.30	8,05.96
(e) Other fees and service charges		-	36.96
Total Revenue from operations		142,63.18	139,87.17
II Other income	23	25,61.50	59,07.57
III Total income (I + II)		168,24.68	198,94.74
IV Expenses:			
(a) Finance cost	24	285,38.05	251,75.48
(b) Impairment of financial instruments and other assets	25	(1,51.90)	4,62.38
(c) Employee benefits expenses		-	-
(d) Depreciation, amortization and impairment	11,12	37.41	38.89
(e) Other expenses	26	3,69.78	4,46.55
Total expenses		287,93.34	261,23.30
V Profit / (Loss) before exceptional items and tax (III - IV)		(119,68.66)	(62,28.56)
VI Exceptional items		-	-
VII Profit / (Loss) before tax (V - VI)		(119,68.66)	(62,28.56)
VIII Tax expense	27		
(a) Current tax		-	-
(b) Deferred tax		-	-
Total tax expense		-	-
IX Profit / (Loss) for the year (VII - VIII)		(119,68.66)	(62,28.56)
X Other comprehensive income			
A i. Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		-	-
Other Comprehensive Income		-	-
XI Total comprehensive income for the year (IX + X)		(119,68.66)	(62,28.56)
XII Earnings per share (Face value Rs 10 each)	28		
Basic (in Rs.)		(1.51)	(1.18)
Diluted (in Rs.)		(1.51)	(1.18)

See accompanying notes forming part of standalone financial statements (1 to 50)

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

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ANAND BANG
Manager

Place : Mumbai
Date: May 2, 2024

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary
Membership No :- A7911

Place: Mumbai
Date: May 2, 2024

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Standalone Cash Flow Statement for the year ended March 31, 2024

(₹ in lakhs)

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net (loss) / Profit before tax for the period	(119,68.66)	(62,28.56)
Adjustments for:		
Interest income on loans, deposits and investments	(125,07.80)	(126,90.17)
Balance written back	(10.54)	(12.57)
Finance costs	285,38.05	251,75.48
Depreciation and impairment	37.41	38.89
Gain on sale of investments	(13,01.30)	(8,69.67)
Net (gain)/loss on fair value changes (unrealised)	-	(5.01)
Allowances for loan losses (net)	(1,51.90)	4,62.24
(Profit)/Loss on sale of property, plant and equipment	1.97	(0.01)
Operating cash flow before working capital changes	26,37.23	58,70.62
Movements in working capital		
Trade receivables	(37.90)	-
Other receivables	1,53.00	(1,42.76)
Trade payables	6.95	(14.45)
Other payables	(10.75)	4.45
Other financial assets	(43.67)	47.55
Other non-financial assets	41.09	(31.15)
Other financial liabilities	(0.23)	0.23
Provision for expenses	(3.19)	(28.90)
Other non-financial liabilities	1,02.12	(27.43)
	28,44.65	56,78.16
Finance costs paid	(103,71.79)	(92,14.13)
Income taxes (paid) (net)	(34,36.08)	(16,89.40)
Net cash generated from operating activities	(109,63.22)	(52,25.37)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	1.48	0.02
Interest income received on loans, deposits and investments	124,09.97	125,70.92
Investment of channel finance	(559,393.80)	(3856,79.84)
Recovery of channel finance	606,155.00	3025,25.23
Inter corporate deposit placed	(79,000.00)	(300,00.00)
Inter corporate deposit repaid	70,300.00	-
Purchase of mutual fund units	(14306,00.00)	(13744,58.28)
Redemption of mutual fund units	14415,05.84	13657,28.42
Investment in equity shares of subsidiaries	-	(700,36.45)
Net cash (used in) / generated from investing activities	613,78.49	(1793,49.98)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Distributions made to holders of instruments entirely equity in nature	(143,35.35)	(143,35.52)
Proceeds from borrowings (other than debt securities)	740,00.00	1254,42.35
Repayment of borrowings (other than debt securities)	(700,00.00)	(1327,80.10)
Proceeds from issue of debt securities	1528,29.70	1821,09.70
Repayment of debt securities	(1957,00.00)	(600,00.00)
Net cash (used in) / generated from financing activities	(532,05.65)	1004,36.43
Net decrease in cash and cash equivalents (A + B + C)	(27,90.38)	(841,38.92)
Cash and cash equivalents at the beginning of the year	37,11.53	878,50.45
Cash and cash equivalents at the end of the year (Refer Note 4)	9,21.15	37,11.53
Net decrease in cash and cash equivalents (A + B + C)	(27,90.38)	(841,38.92)

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Standalone Cash Flow Statement for the year ended March 31, 2024

See accompanying notes forming part of standalone financial statements (1 to 50)

Notes:

- 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".
 - 3 On demerger of NBFC business of TMF Business Services Limited [formerly known as Tata Motors Finance Limited] into Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited], wholly-owned Subsidiaries of the Company, as described in note 32, the Company had received 326,889,441 equity shares having face value of Rs. 100 each of Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited].
-

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

N. V. SIVAKUMAR
Director
(DIN - 03534101)

P.B. BALAJI
Director
(DIN - 02762983)

Nemish Kapadia
Partner
Membership No. 111929

SAMRAT GUPTA
Director
(DIN - 07071479)

ANAND BANG
Manager

Place : Mumbai
Date: May 2, 2024

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary
Membership No :- A7911

Place: Mumbai
Date: May 2, 2024

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Standalone Statement of Changes in Equity for the year ended March 31, 2024

A. Equity share capital

Particulars	As at March 31		As at March 31	
	2024		2023	
	Number	₹ in lakhs	Number	₹ in lakhs
Shares outstanding at the beginning of the year	1,741,593,442.00	1741,59.34	1,648,283,442.00	1648,28.34
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	1,741,593,442.00	1741,59.34	1,648,283,442.00	1648,28.34
Changes in equity share capital during the year				
Shares issued during the year	-	-	93,310,000.00	93,31.00
Shares outstanding at the end of the year	1,741,593,442.00	1741,59.34	1,741,593,442.00	1741,59.34

B. Instruments entirely equity in nature

Particulars	As at March 31		As at March 31	
	2024		2023	
	Number	₹ in lakhs	Number	₹ in lakhs
Balance as at beginning of the year	18,000	1800,00.00	18,000	1800,00.00
Issued during the year	-	-	-	-
Balance as at end of the year	18,000	1800,00.00	18,000	1800,00.00

C. Other equity

Particulars	Equity component of compound financial instrument			Reserve and surplus			Total
	Special reserve*	Securities premium account	Capital reserve	Retained earnings			
				Undistributable (IndAS 101)	Distributable		
Balance as at April 1, 2023	-	257,82.87	1947,04.53	50,90.59	5,52.86	(177,43.44)	2083,87.41
(Loss) for the year	-	-	-	-	-	(119,68.66)	(119,68.66)
Distributions made to holders of instruments entirely equity in nature	-	-	-	-	-	(143,35.35)	(143,35.35)
Balance as at March 31, 2024	-	257,82.87	1947,04.53	50,90.59	5,52.86	(440,47.45)	1820,83.40

(₹ in lakhs)

(Refer Note 20B)

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of Standalone Statement of Changes in Equity for the year ended March 31, 2024

Other equity	(₹ in lakhs)						
Particulars	Equity component of			Reserve and surplus			Total
	compound financial instrument (Refer Note 20B)	Special reserve	Securities premium account	Capital reserve	Retained earnings		
					Undistributable (IndAS 101)	Distributable	
Balance as at April 1, 2022	370,72.59	257,82.87	1669,62.94	50,90.59	5,52.86	28,20.64	2382,82.49
(Loss) for the year	-	-	-	-	-	(62,28.56)	(62,28.56)
Securities premium on shares issued during the period	-	-	277,41.59	-	-	-	277,41.59
Distributions made to holders of instruments entirely equity in nature	-	-	-	-	-	(143,35.52)	(143,35.52)
Conversion of CCPS to equity	(370,72.59)	-	-	-	-	-	(370,72.59)
Balance as at March 31, 2023	-	257,82.87	1947,04.53	50,90.59	5,52.86	(177,43.44)	2083,87.41

***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 transfer said amount at the end of financial year.

See accompanying notes forming part of standalone financial statements (1 to 50)

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

N. V. SIVAKUMAR
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ANAND BANG
Manager

Place : Mumbai
Date: May 2, 2024

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary
Membership No :- A7911

Place: Mumbai
Date: May 2, 2024

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

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 had 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, 2024.

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 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 material to the Company are discussed in Note 3(1) - material accounting judgements, estimates and assumptions.

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 MATERIAL 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 (x)- Business model assessment for classification and measurement of financial assets
- b) Note 3(x) - 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(v) - Useful lives of property, plant and equipment and intangible assets.
- e) Note 3(iii) - Recognition of deferred tax assets.
- f) Note 3(vii) - Measurement and recognition of provisions and contingencies.
- g) Note 3(xi) and 46 - Fair value measurement of financial instruments.
- h) Note 31 - Disclosure of contingent liabilities.
- i) Note 3(x)- 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.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)

Notes forming part of standalone financial statements for the year ended March 31, 2024

- 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.

(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) Investment Property

Property that is held for long-term rental yield or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment property. Investment property is measured initially at cost including related transactions cost. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. Investment properties other than land are depreciated as per the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013 i.e. 60 years for office premises.

(v) 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 less residual value.

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
Furniture and fixture	5 to 10 years
Office Equipment	2 to 10 years
Vehicle 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.

(vi) 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.

(vii) 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.

(viii) 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, 2024 are also subject to guidelines of RBI in this regard.

(ix) Investment in Subsidiaries and Joint Ventures

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

(x) 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 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 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.

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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 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 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 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) are calculated on a collective basis considering the homogeneous nature of the underlying portfolio of financial assets. For stage 1 and stage 2 assets, the company makes provision at higher of requirement as per ECL model and as per RBI norms.

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.

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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 favor 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.

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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) Instruments entirely equity in nature

The Company recognises hybrid perpetual non convertible debentures as equity, if terms of the instrument with regards to periodic coupon payments is such that, coupon payments are at the discretion of the Company and the instrument is of non redeemable in nature, thus such terms of the instruments evidences residual interest in the assets of the Company after deducting all of its liabilities.

(IV) Compound financial Instrument

The components of compound financial instruments issued by the Company 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 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

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.

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Notes forming part of standalone financial statements for the year ended March 31, 2024

(xi) 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.

(xii) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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4 Cash and cash equivalents

(₹ in lakhs)

Particulars	As at March 31	As at March 31
	2024	2023
(a) Balance with banks	9,21.15	3,08.79
(b) Bank deposit with original maturity of less than 3 months	-	34,02.74
Total	9,21.15	37,11.53

5 Bank balance other than cash and cash equivalents

(₹ in lakhs)

Particulars	As at March 31	As at March 31
	2024	2023
(a) Deposits with banks	104,25.49	103,85.41
Total	104,25.49	103,85.41

6 Trade receivables

(₹ in lakhs)

Particulars	As at March 31	As at March 31
	2024	2023
(a) Receivables considered good - Unsecured	48.44	-
Less: Impairment loss allowance	-	-
	48.44	-

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 liability partnership (LLP) or private companies respectively in which any director is a partner, a director or a member.

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7 Other receivables (₹ in lakhs)

Particulars	As at March 31	As at March 31
	2024	2023
(a) Other Receivables considered good - Unsecured	-	1,53.00
Total	-	1,53.00

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 liability partnership (LLP) or private companies respectively in which any director is a partner, a director or a member.

8 Loans (₹ in lakhs)

Particulars	As at March 31	As at March 31
	2024	2023
(A) At amortised cost		
From Financing Activities		
(a) Credit substitutes	365,55.35	832,18.71
From other than financing activities		
(a) Inter corporate deposits (repayable on demand)	387,00.00	300,00.00
Total (A) - Gross	752,55.35	1132,18.71
Less: Impairment loss allowance	(3,01.02)	(4,52.87)
Total (A) - Net	749,54.33	1127,65.84
(B) Unsecured	752,55.35	1132,18.71
Total (B) - Gross	752,55.35	1132,18.71
Less: Impairment loss allowance	(3,01.02)	(4,52.87)
Total (B) - Net	749,54.33	1127,65.84
(C)		
Loans in India		
(a) Public Sector	-	-
(b) Others	752,55.35	1132,18.71
Loans outside India		
(a) Public Sector	-	-
(b) Others	-	-
Total (C) - Gross	752,55.35	1132,18.71
Less: Impairment loss allowance	(3,01.02)	(4,52.87)
Total (C) - Net	749,54.33	1127,65.84

9 Other financial assets

Particulars	As at March 31	As at March 31
	2024	2023
(a) Deposits	37.18	35.68
(b) Interest accrued on investments	30,57.16	30,54.99
(c) Other	-	0.08
Total	30,94.34	30,90.75

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10 Investments

(₹ in lakhs)

Particulars	As at March 31 2024				As at March 31 2023			
	At fair value through profit or loss	Amortised cost	Others (at cost)	Total	At fair value through profit or loss	Amortised cost	Others (at cost)	Total
Mutual Funds	-	-	-	-	96,04.53	-	-	96,04.53
Debt securities	-	600,00.00	-	600,00.00	-	608,35.00	-	608,35.00
Equity instruments								
-Subsidiaries	-	-	7315,13.56	7315,13.56	-	-	7315,13.56	7315,13.56
-Joint Venture	-	-	-	-	-	-	2,65.87	2,65.87
Total (A) - Gross	-	600,00.00	7315,13.56	7915,13.56	96,04.53	608,35.00	7317,79.43	8022,18.96
Investments in India	-	600,00.00	7315,13.56	7915,13.56	96,04.53	608,35.00	7317,79.43	8022,18.96
Investments outside India	-	-	-	-	-	-	-	-
Total (B)	-	600,00.00	7315,13.56	7915,13.56	96,04.53	608,35.00	7317,79.43	8022,18.96
Less: Allowance for impairment loss	-	-	-	-	-	(8,35.00)	(2,65.87)	(11,00.87)
Total (D) = (A+C)	-	600,00.00	7315,13.56	7915,13.56	96,04.53	600,00.00	7315,13.56	8011,18.09

(₹ in lakhs)

10A Annexure I

	As at March 31 2024		As at March 31 2023	
	Quantity	₹	Quantity	₹
(a) Measured at Amortised Cost				
(i) Debt Securities (quoted)				
Fully paid unsecured subordinated non-convertible debentures (Refer note 1 (i))				
Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited) [Coupon rate - 9.95%]	2,000.00	200,00.00	2,000.00	200,00.00
Subtotal	2,000.00	200,00.00	2,000.00	200,00.00
(ii) Debt Securities (unquoted)				
Fully paid unsecured subordinated non-convertible debentures (Refer note 1 (i))				
Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited) [Coupon rate - 9%]	2,000.00	200,00.00	2,000.00	200,00.00
Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited) [Coupon rate - 10%]	1,000.00	100,00.00	1,000.00	100,00.00
Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited) [Coupon rate - 10.25%]	1,000.00	100,00.00	1,000.00	100,00.00
Subtotal	4,000.00	400,00.00	4,000.00	400,00.00
Fully paid unsecured optionally convertible zero coupon debentures (Refer note 2)				
Loginomic Tech Solutions Private Limited ("TruckEasy")	-	-	835,000.00	8,35.00
Less: Allowance for impairment loss	-	-	-	(8,35.00)
Subtotal	-	-	835,000.00	-
Total		600,00.00		600,00.00

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Notes forming part of standalone financial statements for the year ended March 31, 2024

(b) Equity instruments

(i) Subsidiaries

TMF Business Services Limited (formerly known as Tata Motors Finance Limited) [FV Rs. 3.80/- (March 31, 2023- Face value Rs. 100/-)] (Refer note 1, 3, 4 and 5)	96,143,953.00	69,37.33	96,143,953.00	5613,96.61
Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited) [FV Rs.100/-] (Refer note 1 & 5)	496,939,176.00	7245,76.23	170,049,735.00	1701,16.95
Subtotal	593,083,129.00	7315,13.56	266,193,688.00	7315,13.56

(ii) Joint Venture (Refer note 2)

Loginomic Tech Solutions Private Limited (“TruckEasy”) [FV Rs.10/-]	-	-	31,200.00	2,65.87
Less: Allowance for impairment loss	-	-		(2,65.87)
Subtotal	-	-	31,200.00	-

Total	593,083,129.00	7315,13.56	266,224,888.00	7315,13.56
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(d) Investment in Mutual fund (Measured at fair value through profit or loss)

Total	-	-	-	96,04.53
Total	-	-	-	96,04.53

Note:

- 1) (i) As per the NCLT approved scheme, during the three months ended June 30, 2023, pursuant to demerger of Non-Banking Finance business (NBFC undertaking) of TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited] into Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited], wholly owned subsidiaries of the Company, assets and liabilities including debentures issued earlier of NBFC undertaking was transferred from TMF Business Services Limited [formerly known as Tata Motors Finance Limited] to Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited] at their respective book value. Accordingly, fully paid unsecured subordinated non-convertible debentures of Rs. 200,00.00 lakhs (quoted) and fully paid unsecured subordinated non-convertible debentures of Rs. 400,00.00 lakhs (unquoted) are now part of investments in Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited].
- (ii) On demerger, the Company had received 326,889,441 equity shares having face value of Rs. 100 each of Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited]. Post demerger, proportionate carrying value of investments into equity shares of TMF Business Services Limited [formerly known as Tata Motors Finance Limited] had been reallocated to Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited] in the same ratio as the net book value of the assets transferred in the demerger bears to the net worth of the TMF Business Services Limited [formerly known as Tata Motors Finance Limited] immediately before such demerger. Accordingly, value of investment in equity shares of TMF Business Services Limited [formerly known as Tata Motors Finance Limited] was reduced and value of investments in equity shares of Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited] is increased by Rs. 5544,59.28 lakhs.
- (iii) Further, the said Scheme involved capital reduction in the books of the TMF Business Services Limited [formerly known as Tata Motors Finance Limited]. Post Capital reduction, face value of per equity shares is reduced from Rs. 100 to Rs. 3.80/-
- 2) Investments in optionally convertible zero coupon debentures of Rs. 8,35 lakh and equity shares of Rs. 2,65.87 lakh in Loginomic Tech Solutions Private Limited (“TruckEasy”) was written off during the year ended March 31, 2024.
- 3) During the year ended March 31, 2023, TMF Business Services Limited [formerly known as Tata Motors Finance Limited], wholly owned subsidiary of the Company has early converted the outstanding Compulsorily convertible preference share (CCPS) in to equity shares at pre-determined ratio. On conversion, the Company has received 23,470,506 equity shares of face value of Rs. 100 each of TMF Business Services Limited [formerly known as Tata Motors Finance Limited] against 723,00,000 CCPS of Rs. 100 each.
- 4) During the year ended March 31, 2023, the company had subscribed to right issue of its subsidiary, TMF Business Services Limited [formerly known as Tata Motors Finance Limited]. Total investment was Rs. 70,036.45/- lakhs (1,36,67,774 equity shares having face value of Rs. 100 each).
- 5) Measured at cost based on Ind AS 27 - Separate Financial Statements.

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Notes forming part of standalone financial statements for the year ended March 31, 2024

11 Investment Property

(₹ in lakhs)

Particulars	Gross block			Accumulated depreciation				Net block	
	Balance as at	Additions	Deletions	Balance as at	Balance as at	Depreciation	Deletions	Balance as at	Balance as at
	April 1, 2023			March 31, 2024	April 1, 2023			March 31, 2024	March 31, 2024
(a) Office premises	22,46.46	-	-	22,46.46	4,38.13	35.53	-	4,73.66	17,72.80
	22,46.46	-	-	22,46.46	4,38.13	35.53	-	4,73.66	17,72.80

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

(₹ in lakhs)

Particulars	Gross block			Accumulated depreciation				Net block	
	Balance as at	Additions	Deletions	Balance as at	Balance as at	Depreciation	Deletions	Balance as at	Balance as at
	April 1, 2022			March 31, 2023	April 1, 2022			March 31, 2023	March 31, 2023
(a) Office premises	22,46.46	-	-	22,46.46	4,02.60	35.53	-	4,38.13	18,08.33
	22,46.46	-	-	22,46.46	4,02.60	35.53	-	4,38.13	18,08.33

There was no addition which either resulted from subsequent expenditure recognised as assets or acquisition through business combination during the year ended March 31, 2024 and year ended March 31, 2023.

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

11A INCOME AND EXPENDITURE OF INVESTMENT PROPERTY

(₹ in lakhs)

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
(a) Rental income derived from investment property	4,54.08	4,54.08
(b) Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income	56.44	48.36
(c) Depreciation	35.53	35.53

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11B The fair value of the investment property amounted to ₹ 43,24.5 lakhs (At March 31, 2023: ₹ 43,24.5 lakhs). The fair value measurement for investment property has been categorised as Level 2 fair value based on the inputs to the valuation technique used.

11C There is no restriction on the realisability of investment property or the remittance of income and proceeds of disposal.

11D There was no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements of investment property at March 31, 2024 and at March 31, 2023.

12 Property, plant and equipment

(₹ in lakhs)									
Particulars	Gross block			Accumulated depreciation				Net block	
	Balance as at	Additions	Deletions	Balance as at	Balance as at	Depreciation	Deletions	Balance as at	Balance as at
	April 1, 2023			March 31, 2024	April 1, 2023			March 31, 2024	March 31, 2024
(a) Furniture and fixtures	4,97.49	-	3.55	4,93.94	4,71.55	1.81	3.38	4,69.98	23.96
(b) Vehicles - given on operating lease	52.14	-	52.14	-	49.54	-	49.54	-	-
(c) Office equipments	3,40.01	-	13.17	3,26.84	3,22.15	0.07	12.49	3,09.73	17.11
Total	8,89.64	-	68.86	8,20.78	8,43.24	1.88	65.41	7,79.71	41.07

(₹ in lakhs)									
Particulars	Gross block			Accumulated depreciation				Net block	
	Balance as at	Additions	Deletions	Balance as at	Balance as at	Depreciation	Deletions	Balance as at	Balance as at
	April 1, 2022			March 31, 2023	April 1, 2022			March 31, 2023	March 31, 2023
(a) Furniture and fixtures	5,04.11	-	6.62	4,97.49	4,74.56	3.29	6.30	4,71.55	25.94
(b) Vehicles - given on operating lease	52.14	-	-	52.14	49.54	-	-	49.54	2.60
(c) Office equipments	3,40.01	-	-	3,40.01	3,22.08	0.07	-	3,22.15	17.86
Total	8,96.26	-	6.62	8,89.64	8,46.18	3.36	6.30	8,43.24	46.40

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

13 Other non-financial assets

Particulars	(₹ in lakhs)	
	As at March 31	As at March 31
	2024	2023
(a) Deposits with statutory authorities	4.20	4.20
(b) Prepaid expenses	9.31	9.31
(c) Taxes recoverable and dues from government	5.85	47.93
(d) Taxes paid under protest	0.94	-
(e) Others	3.88	3.83
Total	24.18	65.27

14 Payables

Particulars	(₹ in lakhs)	
	As at March 31	As at March 31
	2024	2023
(a) Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises	0.07	0.07
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	74.26	67.31
Total	74.33	67.38
(b) Other Payables		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	10.75
Total	-	10.75

Note:- Information in respect of micro enterprises and small enterprises to whom the Company owes dues (including interest of Rs. Nil), 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.

Note: According to the information available with the management, on the basis of intimation received from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the Company has amounts due to micro and small enterprises under the said Act as at March 31, 2024 as follows :

Particulars	(₹ in lakhs)	
	As at March 31	As at March 31
	2024	2023
a) Principal amount due	0.07	0.07
b) Interest due on above	-	-
c) Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) Amount of interest due and payable for the period of delay	-	-
e) Amount of interest accrued and remaining unpaid as at year end	-	-
f) Amount of further remaining due and payable in the succeeding year	-	-
Total	0.07	0.07

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

Trade Payables aging schedule

(₹ in lakhs)

As at March 31, 2024							
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	-	0.07	-	
(ii) Others	-	39.95	34.31	-	-	-	74.26
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	40.02	34.31	-	-	-	74.33

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

(₹ in lakhs)

As at March 31, 2023							
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	-	0.07	-	
(ii) Others	-	62.11	5.18	0.02	-	-	67.31
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	62.18	5.18	0.02	-	-	67.38

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

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)

Notes forming part of standalone financial statements for the year ended March 31, 2024

15 Debt securities

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(a) Privately placed non-convertible debentures		
(i) Unsecured	2542,19.30	2441,89.40
(b) Commercial Paper		
(i) Unsecured	896,29.12	1244,54.26
(net of unamortised borrowing cost including discounting charges of Rs. 28,70.88 lakhs at March 31, 2024 and Rs. 62,45.74 lakhs at March 31, 2023)		
Total (A)	3438,48.42	3686,43.66
(i) Debt securities in India	3438,48.42	3686,43.66
(ii) Debt securities outside India	-	-
Total (B)	3438,48.42	3686,43.66

Details of Non cumulative debentures (Unsecured)

(₹ in lakhs)

From Balance sheet Date	As at March 31, 2024		As at March 31, 2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Issued on private placement basis				
Maturing within 1 Year	7.02% to 9.42%	1527,20.75	-	-
Maturing between 1 year to 3 Years	7.69% to 8.53%	1220,65.08	7.02% to 9.05%	1916,52.89
Maturing between 3 Years to 5 Years		-	8.53% to 8.53%	831,32.94
Total Face Value		2747,85.83		2747,85.83
Less: Unamortised borrowing cost		205,66.53		305,96.43
Total Amortised cost		2542,19.30		2441,89.40

Details of Commercial papers (Unsecured)

(₹ in lakhs)

From Balance sheet Date	As at March 31, 2024		As at March 31, 2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Maturing within 1 Year	8.48% to 8.50%	925,00.00	7.30% to 8.65%	1307,00.00
Total Face Value	-	925,00.00	-	1307,00.00
Less: Unamortised borrowing cost	-	28,70.88	-	62,45.74
Total Amortised cost	-	896,29.12	-	1244,54.26

16 Borrowings - Other than debt securities

(₹ in lakhs)

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(a) Inter corporate deposits from related parties (unsecured)	85,00.00	45,00.00
Total (A)	85,00.00	45,00.00
(i) Borrowings in India	85,00.00	45,00.00
(ii) Borrowings outside India	-	-
Total (B)	85,00.00	45,00.00

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

Details of Inter corporate deposits (ICDs)

(₹ in lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Maturing within 1 Year	8.92% to 8.92%	85,00.00	8.39% to 8.39%	45,00.00
Total		85,00.00		45,00.00
Less: Unamortised borrowing cost		-		-
Total Amortised cost		85,00.00		45,00.00

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)

Notes forming part of standalone financial statements for the year ended March 31, 2024

17 Other financial liabilities

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(a) Interest accrued on borrowings	22,10.85	21,19.68
(b) Accrual for Compulsorily Convertible Preference Shares	26,04.00	26,04.00
(c) Unpaid dividend	-	0.23
Total	48,14.85	47,23.91

18 Provisions

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(a) Provision for expenses	12.14	15.33
Total	12.14	15.33

19 Other non-financial liabilities

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(a) Statutory dues	1,38.92	36.80
(b) Others	-	-
Total	1,38.92	36.80

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

20 Equity Share Capital

Particulars	(₹ in lakhs)			
	As at March 31		As at March 31	
	2024		2023	
	No. of shares	₹	No. of shares	₹
Authorised				
Equity Shares of Rs. 10 each with voting rights	2,500,000,000.00	2500,00.00	2,500,000,000.00	2500,00.00
	2,500,000,000.00	2500,00.00	2,500,000,000.00	2500,00.00
Issued, Subscribed and Fully Paid up				
Equity shares of Rs. 10 each	1,741,593,442.00	1741,59.34	1,741,593,442.00	1741,59.34
Total	1,741,593,442.00	1741,59.34	1,741,593,442.00	1741,59.34

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

Particulars	(₹ in lakhs)			
	As at March 31		As at March 31	
	2024		2023	
	No. of shares	₹	No. of shares	₹
Shares outstanding at the beginning of the year	1,741,593,442.00	1741,59.34	1,648,283,442.00	1648,28.34
Equity Shares Issued on conversion of CCPS (Refer Note 1 below)			93,310,000.00	93,31.00
Shares outstanding at the end of the year	1,741,593,442.00	1741,59.34	1,741,593,442.00	1741,59.34

Note 1:- During the financial year 2022-23, the Company had converted the outstanding Compulsorily Convertible Preference Share (CCPS) at pre-determined conversion ratio. On conversion of CCPS, the Company had issued 9,33,10,000 equity shares of face value of Rs. 100 each against 4,34,00,000 no. of CCPS of face value of Rs. 100 each.

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

Particulars	(₹ in lakhs)			
	As at March 31		As at March 31	
	2024		2023	
	No. of shares	% of Issued Share Capital	No. of shares	% of Issued Share Capital
Equity shares with voting rights				
Tata Motors Limited	1,741,593,442.00	100%	1,741,593,442.00	100%

c) Details of shares held by Promoters:

Promoter name	As at March 31			As at March 31		
	2024			2023		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Tata Motors Limited	1,741,593,442.00	100%	NIL	1,741,593,442.00	100%	NIL

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 year

The company has not declared dividends during the financial year ended March 31, 2024 and March 31, 2023.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

(₹ in lakhs)

20A Instruments entirely equity in nature	As at March 31		As at March 31	
	2024		2023	
	Number	₹	Number	₹
Balance as at beginning of the year	18,000	1800,00.00	18,000	1800,00.00
Increase during the year	-	-	-	-
Balance as at end of the year	18,000	1800,00.00	18,000	1800,00.00

The Company has issued 18,000 subordinated, listed, unsecured, rated perpetual securities of face value of Rs. 10 lakhs each aggregating to Rs 1800,00.00 lakhs. The coupon on these securities ranges between 7.2962% p.a. to 8.7551% p.a.

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 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 100,00 lakhs on September 15, 2026 and Rs 100,00 lakhs on September 28, 2026, Rs 150,00 lakhs on September 30, 2026, Rs 200,00 lakhs on June 30, 2027 and Rs 25,000 lakhs on September 30, 2027.

20B Equity component of compound financial instrument

(₹ in lakhs)

Particulars	As at March 31		As at March 31	
	2024		2023	
	No. of shares	₹	No. of shares	₹
Authorised				
Preference shares of Rs.100 each	75,000,000	750,00.00	75,000,000	750,00.00
	75,000,000	750,00.00	75,000,000	750,00.00

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

(₹ in lakhs)

Particulars	As at March 31		As at March 31	
	2024		2023	
	No. of shares	₹	No. of shares	₹
Shares outstanding at the beginning of the year	-	-	43,400,000	370,72.59
Add: Shares issued during the year	-	-	-	-
Less: Shares converted during the year into equity (Refer point (c) below)	-	-	(43,400,000)	(370,72.59)
Shares outstanding at the end of the year	-	-	-	-

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

(₹ in lakhs)

Particulars	As at March 31		As at March 31	
	2024		2023	
	No. of shares	% of holding	No. of shares	% of holding
Tata Motors Limited	-	-	-	-

c) Terms/rights attached to preference shares

The Company had 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.

However, during the financial year ended March 31, 2023, the Company converted the outstanding Compulsorily convertible preference share (CCPS) at pre-determined conversion ratio. On conversion of CCPS, the Company had issued 9,33,10,000 equity shares of face value of Rs. 100 each against 4,34,00,000 no. of CCPS of face value of Rs. 100 each.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

20C 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. The Company transfer said amount at the end of the financial year.

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.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

21 Interest Income

(₹ in lakhs)

Particulars	For the year ended	For the year ended
	March 31	March 31
	2024	2023
On financial assets measured at amortised cost		
(a) Interest on loans	30,38.55	35,35.43
(b) Interest income from investments	58,17.31	58,14.95
(c) Interest on deposits with banks	8,39.42	8,34.84
(d) Other interest income	28,12.52	25,04.95
Total	125,07.80	126,90.17

22 Net gain on fair value changes

(₹ in lakhs)

Particulars	For the year ended	For the year ended
	March 31	March 31
	2024	2023
(a) Net gain on fair value changes	13,01.30	8,05.96
	13,01.30	8,05.96
Fair Value changes:		
(i) Realised	13,01.30	8,00.95
(ii) Unrealised	-	5.01
Total	13,01.30	8,05.96

23 Other Income

(₹ in lakhs)

Particulars	For the year ended	For the year ended
	March 31	March 31
	2024	2023
(a) Support services income	25,50.00	58,95.00
(b) Balances written back	10.54	12.57
(c) Net gain on derecognition of property, plant and equipment	0.96	-
Total	25,61.50	59,07.57

24 Finance Costs

(₹ in lakhs)

Particulars	For the year ended	For the year ended
	March 31	March 31
	2024	2023
(a) Interest on borrowings	2,69.26	17,88.46
(b) Interest on debt securities	282,68.03	233,85.61
(c) Other finance charges	0.76	1.41
Total	285,38.05	251,75.48

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Notes forming part of standalone financial statements for the year ended March 31, 2024

25 Impairment on financial instruments and other assets

(₹ in lakhs)

Particulars	For the year ended March 31	For the year ended March 31
	2024	2023
(a) Impairment on financial assets		
Loans (at amortised cost)		
- Allowance for loan losses	(1,51.85)	4,52.87
- Loans written off	-	-
Investments (at amortised cost)		
- Allowance for investments	(11,00.87)	-
- Investments written off	11,00.87	0.14
Other financial assets		
- Allowance for doubtful assets	(0.08)	9.37
- Other write off	0.03	-
Total	(1,51.90)	4,62.38

26 Other expenses

(₹ in lakhs)

Particulars	For the year ended March 31	For the year ended March 31
	2024	2023
(a) Rent, taxes and energy costs	21.15	26.62
(b) Repairs and maintenance	35.29	27.55
(c) Director's fees, allowances and expenses	29.80	44.70
(d) Auditor's fees and expenses (refer note (i))	27.19	29.91
(e) Legal and professional charges	96.90	1,47.39
(f) Insurance	4.42	9.38
(g) Service provider fees	1,08.98	1,10.65
(h) Cenvat credit reversal	28.87	35.90
(i) Advertisement and publicity	1.13	0.86
(j) Printing and stationery	0.01	0.04
(k) Net loss on derecognition of property, plant and equipment	2.93	0.31
(l) Others	13.11	13.24
Total	3,69.78	4,46.55

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

(₹ in lakhs)

Particulars	For the year ended March 31	For the year ended March 31
	2024	2023
(a) As auditors - Statutory audit	17.60	15.65
(b) As auditors - Tax audit	1.86	0.90
(c) For other services	7.30	12.25
(d) Reimbursement of out of pocket expenses	0.43	1.11
Total	27.19	29.91

(ii) Corporate social responsibility

The prescribed CSR expenditure required to be spent in the year 2023-24 as per the Companies Act, 2013 is Nil (Nil for 2022-23), 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 44.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

27 Income taxes

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

	(₹ in lakhs)	
Particulars	Year ended March 31	Year ended March 31
	2024	2023
Income tax expense		
<i>Current tax</i>		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	-	-
<i>Deferred tax</i>		
Decrease (increase) in deferred tax assets	-	-
(Decrease) increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	-	-
Income Tax expense	-	-

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:

	(₹ in lakhs)	
Particulars	Year ended March 31	Year ended March 31
	2024	2023
Profit before taxes	(119,68.66)	(62,28.56)
Statutory tax rate	25.168%	25.168%
Income tax expenses calculated at statutory tax rate	(30,12.27)	(15,67.60)
Tax effect of the amount which are not taxable in calculating taxable income :		
- Effect of expenses not deductible for tax computation	-	3,34.09
- Deferred tax assets not recognised because realization is not probable	30,12.27	12,33.51
- Others	-	-
Income tax expense/(credit) recognised for the year at effective tax rate	-	-

c) Deferred tax assets/liabilities (net)

At March 31, 2024 and at March 31, 2023 deferred tax assets/(liabilities) amounted to Nil.

d) Amounts recognised directly in equity

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

e) Tax losses

As at March 31, 2024, unrecognised deferred tax assets amounted to Rs. 10,01.12 lakhs (As at March 31, 2023 - Rs. 965.41 lakhs) which can be carried forward indefinitely and Rs. 255,22.43 lakhs (As at March 31, 2023 - Rs. 18,801.12 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 (₹ 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	23,45.00
March 31, 2031	46,42.44
March 31, 2032	67,21.31
Total	255,22.43

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Notes forming part of standalone financial statements for the year ended March 31, 2024

28 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.

Particulars	(₹ in lakhs, except per share data)	
	For the year ended March 31	For the year ended March 31
	2024	2023
Basic		
Weighted average no. of equity shares outstanding	1,741,593,442	1,741,593,442
Net profit / (loss) attributable to equity share holders (Refer Note i)	(263,04.01)	(205,64.08)
Basic earnings per share (Rs.)	(1.51)	(1.18)
Diluted		
Weighted average no. of equity shares outstanding	1,741,593,442	1,741,593,442
Net profit / (loss) attributable to equity share holders (Refer Note i)	(263,04.01)	(205,64.08)
Diluted earnings per share (Rs.)	(1.51)	(1.18)
Face value per share (Rs.)	10.00	10.00
Note (i) - Calculation of net profit attributable to equity share holders		
Profit / (loss) after tax as per statement of profit and loss	(119,68.66)	(62,28.56)
Less - Distribution made to holders of perpetual instruments	(143,35.35)	(143,35.52)
Net profit / (loss) attributable to equity share holders	(263,04.01)	(205,64.08)

29 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.

30 Disclosure in respect of Operating leases

Company as lessor- Operating Leases

The Company has given office premises under operating lease. The Company has recognised lease rental income from leasing of office premises amounting to Rs. 4,54.08 lakhs (Previous year: Rs. 4,54.08 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.

31 Contingent liabilities and commitments

(a) As at March 31, 2024, the Company does not have any contingent liabilities. (As at March 31, 2023 : Nil)

(b) **Commitments** : Loan commitment as at March 31, 2024, is Rs. 1231,00.00 lakhs (As at March 31, 2023 : NIL)

32 (i) During the three months ended June 30, 2023, pursuant to demerger of Non-Banking Finance business (NBFC undertaking) of TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited] into Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited], assets and liabilities of NBFC undertaking were transferred from TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited] to Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited] at their respective book value. The Company had received 326,889,441 equity shares having face value of Rs. 100 each of Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited]. Post demerger, proportionate carrying value of investments into equity shares of TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited] was reallocated to carrying value of investments in Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited] in the same ratio as the net book value of the assets transferred in the demerger bears to the networth of the TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited] immediately before such demerger. Accordingly, value of investment in equity shares of TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited] was reduced and value of investments in equity shares of Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited] was increased by Rs. 5544,59.28 lacs.

(ii) Further, the said Scheme involved capital reduction in the books of the TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited]. Post Capital reduction, face value of per equity shares was reduced from Rs. 100 to Rs. 3.80/-.

33 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.

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

The company have loans and advances outstanding to promoters, directors, KMPs and the related parties, that are repayable on demand or without specify any terms of repayment.

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2024		For the Year ended March 31, 2023	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	387,00.00	51.42%	300,00.00	26.50%

35 Capital Work in Progress & Intangible Assets under Development

Capital Work in Progress & Intangible Assets under Development amounted to Nil at March 31, 2024 and Nil at March 31, 2023.

36 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, 2024 and as at March 31, 2023.

37 Borrowings from banks or financial institutions against security of current assets

As at March 31, 2024, borrowings from banks or financial institutions on the basis of security of current assets is Nil (March 31, 2023: Nil).

38 Willful Defaulter

The Company has not been declared as willful defaulter by any bank or financial institution or any lender .

39 Relationship with struck off companies

During the year ended March 31, 2024 and March 31, 2023, 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.

40 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, 2024 and at March 31, 2023.

41 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.

42 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.

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43 Employee benefit obligations

The Company did not have any employees during the year ended March 31, 2024 and March 31, 2023. Hence, related disclosures are not applicable.

44 Related party disclosures

1 Related parties and their relationship (as defined under Ind AS -24 Related Party Disclosure)

I. Holding Company: Tata Motors Limited

II. Subsidiaries

Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited)

TMF Business Services Limited (formerly known as Tata Motors Finance Limited)

III. Joint ventures

Loginomic Tech Solutions Private limited

IV. Other related parties with whom transactions have taken place during the year

(i) Fellow subsidiaries, associates and Joint arrangements within the Group

TML Business Services Limited

Tata Cummins Private Limited

(ii) Tata Sons and its subsidiaries and Joint arrangements

Tata Sons Private Limited

Tata AIG General Insurance Company Limited

V. Key Management personnel :

Mr. Shyam Mani - Non-Executive Director (Upto August 31, 2023)

Mr. Samrat Gupta - Non-Executive Director

Mr. Nasser Munjee, Independent Director and Chairman

Mr. P. S. Jayakumar, Independent Director (Upto November 7, 2023)

Mr. N. V. Sivakumar - Independent Director (From November 7, 2023)

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

Mrs. Varsha Purandare - Independent Director

Mr. Dhiman Gupta - Non Executive Director

Ms. Ridhi Gangar - Chief Financial Officer

Mr. Vinay Lavannis - Company Secretary

Mr. Anand Bang, Manager

The following table summarises related-party transactions for the year ended March 31, 2024 and balances as at March 31, 2024

(₹ in Lakhs)

Particulars	Holding Company	Subsidiaries	Joint Venture	Other Related Parties	Total
a) Transactions during the year					
Rent income	-	4,54.08	-	-	4,54.08
Interest income on channel financing / Loan	-	-	-	30,38.55	30,38.55
Interest income on unsecured Tier-II debenture	-	58,17.31	-	-	58,17.31
Expenses for other services (incl. reimbursement of expenses) (Refer note (i))	7.96	1,08.98	-	46.63	1,63.57
Other expenses	-	-	-	7.77	7.77
Loans and advances given	-	-	-	5593,93.80	5593,93.80
Loans and advances recovered	-	-	-	6061,55.00	6061,55.00
Inter corporate deposits placed	118,00.00	672,00.00	-	-	790,00.00
Inter corporate deposits recovered	-	703,00.00	-	-	703,00.00
Interest income on inter corporate deposits placed	2.36	28,10.16	-	-	28,12.52
Interest expense on inter corporate deposits accepted	-	2,69.26	-	-	2,69.26
Inter corporate deposits accepted	-	740,00.00	-	-	740,00.00
Inter corporate deposits repaid	-	700,00.00	-	-	700,00.00
Total	118,10.32	2909,59.79	-	11686,41.75	14714,11.86

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

(₹ in Lakhs)

b) Closing Balance

Amount receivable in respect of inter corporate deposits	118,00.00	269,00.00	-	-	387,00.00
Amount receivable others	-	44.66	-	-	44.66
Amount receivable in respect of interest accrued on deposit & investments	-	30,57.16	-	-	30,57.16
Amount receivable in respect of debenture	-	600,00.00	-	-	600,00.00
Amount payable in respect of other financial liabilities	-	-	-	-	-
Amount payable in respect of inter company deposit	-	85,00.00	-	-	85,00.00
Amount receivable - credit substitutes	-	-	-	363,93.40	363,93.40
Amount receivable in respect of interest accrued - credit substitutes	-	-	-	1,61.95	1,61.95
Amount payable others	10.96	27.59	-	11.63	50.18

Particulars	Holding Company	Subsidiaries	Joint Venture	Other Related Parties	Total
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Maximum outstanding during the year

(i) Amount receivable - credit substitutes		-	-	975,29.59	975,29.59
(ii) Amount receivable in respect of inter company deposit	118,00.00	600,00.00	-	-	718,00.00
Amount receivable others		4,57.10	-	-	4,57.10
(iii) Amount payable in respect of inter company deposit		250,00.00	-	-	250,00.00
(iv) Amount receivable in respect of debenture		600,00.00	-	-	600,00.00
(v) Amount receivable in respect of interest accrued - credit substitutes		-	-	3,03.64	3,03.64
(vi) Amount receivable in respect of interest accrued on deposit & investments		57,92.12	-	-	57,92.12
(vii) Amount payable others	22.33	41.00	-	11.96	75.29

Intra Group Exposure

Total amount of Intra - Group exposures	118,00.00	8184,13.56	-	365,55.35
Total amount of top 20 Intra - Group exposures	118,00.00	8184,13.56	-	365,55.35
% of Intra group exposures to total exposures of the NBFC on borrowers/customers	100%	100%	-	100%

The following table summarizes related-party transactions that have been transferred to TMFL (formerly known as TMFSL) due to de-merger

(₹ in Lakhs)

Particulars	Holding Company	Subsidiaries	Joint Venture	Other Related Parties	Total
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a) Transactions during the quarter

Rent income	-	91.77	-	-	91.77
Interest income on loans and investments	-	14,47.60	-	-	14,47.60
Expenses for other services (incl. reimbursement of expenses) (Refer note (i))	-	27.56	-	-	27.56
Interest income on inter corporate deposits placed	-	1.98	-	-	1.98
Interest expense on inter corporate deposits accepted	-	1,34.01	-	-	1,34.01
Inter corporate deposits accepted	-	105,00.00	-	-	105,00.00
Inter corporate deposits repaid	-	105,00.00	-	-	105,00.00

Shares issued by TMFL (previously known as TMFSL) to TMFHL pursuant to scheme of de-merger (326,889,441 equity shares)

Total	-	227,02.92	-	-	227,02.92
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(₹ in Lakhs)

b) Closing Balance

Amount receivable in respect of inter corporate deposits	-	94.84	-	-	94.84
Amount receivable in respect of debenture	-	600,00.00	-	-	600,00.00
Amount receivable in respect of interest accrued on deposit & investments	-	14,94.90	-	-	14,94.90
Amount payable others	-	29.31	-	-	29.31

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Notes forming part of standalone financial statements for the year ended March 31, 2024

Notes:

- (i) Includes amount cross charged by subsidiaries for support services and remuneration to Key Managerial Personnel.
- (ii) Investments in optionally convertible zero coupon debentures of Rs. 8,35.00 lakh and equity shares of Rs. 2,65.87 lakh in Loginomic Tech Solutions Private Limited ("TruckEasy") was written off during the year ended March 31, 2024
- (iii) During the three months ended June 30, 2023, pursuant to demerger of Non-Banking Finance business (NBFC undertaking) of TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited] into Tata Motors Finance Limited [formerly Tata Motors Finance Solutions Limited], assets and liabilities of NBFC undertaking were transferred from TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited] to Tata Motors Finance Limited [formerly Tata Motors Finance Solutions Limited] at their respective book value. Hence, transactions for all the quarter and closing balances at June 30, 2023 pertaining to NBFC division had been included in transactions with and balances receivable/payable from/to Tata Motors Finance Limited [formerly Tata Motors Finance Solutions Limited].
- (iv) The Company has received 326,889,441 equity shares having face value of Rs. 100 each of Tata Motors Finance Limited [formerly Tata Motors Finance Solutions Limited] on demerger as described in note no. 32.
- (v) Provision for doubtful debts based on expected credit losses was recognised on the receivables owed by related parties.
- (vi) The Company has given commitments/contingency fund limit of Rs. 500,00.00 lakh and Rs. 1000,00.00 lakh to TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited] and Tata Motors Finance Limited [formerly Tata Motors Finance Solutions Limited] respectively. Outstanding commitments as on March 31, 2024 amounted to Rs. 231,00.00 lakh and Rs. 1000,00.00 lakh to TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited] and Tata Motors Finance Limited [formerly Tata Motors Finance Solutions Limited] respectively.

The following table summarizes related-party transactions for the year ended March 31, 2023 and balances as at March 31, 2023

Particulars	(₹ in Lakhs)				
	Holding Company	Subsidiaries	Joint Venture	Other Related Parties	Total
a) Transactions during the year					
Rent income	-	4,54.08	-	-	4,54.08
Other fees and service charges	-	36.96	-	-	36.96
Interest income on channel financing / Loan	-	-	-	35,35.43	35,35.43
Interest income on loans and investments	-	83,19.90	-	-	83,19.90
Expenses for support services (incl. reimbursement of expenses) (Refer note (i))	21.37	1,10.65	-	-	1,32.02
Professional charges	-	-	-	50.90	50.90
Advance payment for expenses	-	-	-	4.86	4.86
Loans and advances given	-	1900,00.00	-	3856,79.84	5756,79.84
Loans and advances recovered	-	1600,00.00	-	3025,25.23	4625,25.23
Interest expense on inter corporate deposits accepted	-	4,61.00	-	-	4,61.00
Investments made in equity share of subsidiary	-	700,36.45	-	-	700,36.45
Loans and advances taken / availed	-	655,00.00	-	-	655,00.00
Loans and advances repaid	-	610,00.00	-	-	610,00.00
Total	21.37	555,919.04	-	6917,96.26	12477,36.67

(₹ in Lakhs)					
b) Closing Balance					
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 interest accrued on deposit & investments	-	30,54.99	-	-	30,54.99
Amount receivable in respect of debenture	-	600,00.00	-	-	600,00.00
Amount payable in respect of inter company deposit	-	45,00.00	-	-	45,00.00
Amount receivable in respect of Inter company deposit	-	300,00.00	-	-	300,00.00
Amount receivable - credit substitutes	-	-	-	831,54.61	831,54.61
Amount receivable in respect of interest accrued - credit substitutes	-	-	-	64.11	64.11
Amount payable others	20.38	10.75	-	6.85	37.98

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

Notes:

- (i) Includes amount cross charged by subsidiaries for support services and remuneration to Key Managerial Personnel.
- (ii) Provision for doubtful debts based on expected credit losses was recognised on the receivables owed by related parties.
- (iii) During the year ended March 31, 2023, TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited], subsidiary of the Company had early converted the outstanding Compulsorily convertible preference share (CCPS) in to equity shares at pre-determined ratio. On conversion, the Company had received 23,470,506 equity shares of face value of Rs. 100 each of TMF Business Services Limited (TMFBSL) against 723,00,000 CCPS of Rs. 100 each.
- (iv) During the year ended March 31, 2023, the Company had converted the outstanding Compulsorily convertible preference share (CCPS) at pre-determined conversion ratio. On conversion of CCPS, the Company had issued 9,33,10,000 equity shares of face value of Rs. 100 each against 4,34,00,000 no. of CCPS of face value of Rs. 100 each.
- (v) During the year ended March 31, 2023, the Company subscribed to right issue of its subsidiary, TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited]. Total investment was Rs. 700,36.45/- lakhs (1,36,67,774 equity shares having face value of Rs. 100 each).

Particulars	Holding Company	Subsidiaries	Joint Venture	Other Related Parties	Total
<u>Maximum outstanding during the year</u>					
(i) Amount receivable - credit substitutes	-		-	970,79.52	970,79.52
(ii) Amount receivable in respect of Inter company deposit	-	8000,00.00	-	-	800,00.00
(iii) Amount payable in respect of Inter company deposit	-	6000,00.00	-	-	600,00.00
(iv) Amount receivable in respect of debenture	-	6000,00.00	-	-	600,00.00
(v) Amount receivable in respect of interest accrued - credit substitutes	-		-	4,26.69	4,26.69
(vi) Amount receivable in respect of interest accrued on deposit & investments	-	42,14.93	-	-	42,14.93
(vii) Amount payable others	20.38	18.39	-	17.28	56.05
<u>Intra Group Exposure</u>					
Total amount of Intra - Group exposures	-	7915,13.56	8,35.00	832,18.71	
Total amount of top 20 Intra - Group exposures	-	7915,13.56	8,35.00	832,18.71	
% of Intra group exposures to total exposures of the NBFC on borrowers/customers	-	100%	100%	100%	

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:

(₹ in Lakhs)

Particulars	For the year ended March 31	For the year ended March 31
	2024	2023
Sitting fees paid to independent directors	29.80	44.70

45 Reconciliation of movement in borrowings to cash flow from financing activities

(Rs in lakhs)

Particulars	As at April 01, 2023	Cash Flows (net)	Exchange Difference	Amortisation of loan origination costs	As at March 31, 2024
Debt Securities	3686,43.66	(428,70.33)	-	180,75.09	3438,48.42
Borrowings (other than Debt securities)	45,00.00	4,000.00	-	-	85,00.00
Total Liabilities from Financing Activities	3731,43.66	(388,70.33)	-	180,75.09	3523,48.42

Note: Debt securities includes commercial papers and zero coupon bonds for which the discounting charges paid is Rs. 88,94.90 and premium charges paid of Rs. NIL lakhs respectively on the repayment date is shown in the finance cost in cash flow statements

(Rs in lakhs)

Particulars	As at April 01, 2023	Cash Flows (net)	Exchange Difference	Amortisation of loan origination costs	As at March 31, 2023
Debt Securities	2442,75.49	1242,32.42	-	1,35.75	3686,43.66
Borrowings (other than Debt securities)	12,76.54	45,00.00	-	(12,76.54)	45,00.00
Total Liabilities from Financing Activities	2455,52.03	1287,32.42	-	(11,40.79)	3731,43.66

Note: Debt securities includes commercial papers and zero coupon bonds for which the discounting charges paid is Rs. 8,57.16 lakhs and premium charges paid of Rs. 192,80.10 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, 2024

Particulars	As at March 31, 2024					
	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	749,54.33	749,54.33	-	38,545.20	364,09.13	749,54.33
Total	749,54.33	749,54.33	-	385,45.20	364,09.13	749,54.33

(₹ in Lakhs)

Particulars	As at March 31, 2023					
	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	45,00.00	45,00.00	-	45,00.00	-	45,00.00
(b) Debt Securities	2441,89.40	2402,38.14	-	2402,38.14	-	2402,38.14
Total	2486,89.40	2447,38.14	-	2447,38.14	-	2447,38.14

Particulars	As at March 31, 2023					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit & loss						
(a) Investments						
- Mutual funds	96,04.53	96,04.53	96,04.53	-	-	96,04.53
Total	96,04.53	96,04.53	96,04.53	-	-	96,04.53

Particulars	As at March 31, 2023					
	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	1127,65.84	1127,65.84	-	29,880.00	828,85.84	1127,65.84
Total	1127,65.84	1127,65.84	-	298,80.00	828,85.84	1127,65.84

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, 2024 and March 31, 2023.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

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.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2023

47 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:

(₹ in lakhs)

Particulars	As at March 31			As at March 31		
	2024			2023		
	Current	Non current	Total	Current	Non current	Total
ASSETS						
Financial assets						
Cash and cash equivalents	9,21.15	-	9,21.15	37,11.53	-	37,11.53
Bank Balance other than cash and cash equivalents	104,25.49	-	104,25.49	103,85.41	-	103,85.41
Receivables	-	-	-	-	-	-
Trade receivables	48.44	-	48.44	-	-	-
Other receivables	-	-	-	1,53.00	-	1,53.00
Loans	749,54.33	-	749,54.33	1127,65.84	-	1127,65.84
Investments	-	7915,13.56	7915,13.56	96,04.53	7915,13.56	8011,18.09
Other financial assets	30,57.16	37.18	30,94.34	30,55.07	35.68	30,90.75
Non-financial assets						
Current tax assets (net)	-	110,54.82	110,54.82	-	76,33.03	76,33.03
Investment Property	-	17,72.80	17,72.80	-	18,08.33	18,08.33
Property, plant and equipment	-	41.07	41.07	-	46.40	46.40
Other non-financial assets	19.04	5.14	24.18	61.07	4.20	65.27
Total assets	894,25.61	8044,24.57	8938,50.18	1397,36.45	8010,41.20	9407,77.65
LIABILITIES AND EQUITY						
Financial liabilities						
Payables	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-
total outstanding dues of micro enterprises and small enterprises	0.07	-	0.07	0.07	-	0.07
total outstanding dues of creditors other than micro enterprises and small enterprises	74.26	-	74.26	67.31	-	67.31
Other payables	-	-	-	-	-	-
total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	10.75	-	10.75
Debt securities	2407,49.17	1030,99.25	3438,48.42	1244,54.26	2441,89.40	3686,43.66
Borrowings (Other than debt securities)	85,00.00	-	85,00.00	45,00.00	-	45,00.00
Other financials liabilities	22,10.85	26,04.00	48,14.85	21,19.91	26,04.00	47,23.91
Non-financial liabilities						
Current tax liabilities (net)	2,18.78	-	2,18.78	2,33.07	-	2,33.07
Provisions	12.14	-	12.14	15.33	-	15.33
Other non-financial liabilities	1,38.92	-	1,38.92	36.80	-	36.80
Total liabilities	2519,04.19	1057,03.25	3576,07.44	1314,37.50	2467,93.40	3782,30.90
Net	(1624,78.58)	6987,21.32	5362,42.74	82,98.95	5542,47.80	5625,46.75

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Notes forming part of standalone financial statements for the year ended March 31, 2024

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

Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure, being the total of the carrying amount of balances with banks, time deposits with banks, loans arising from financing activities, Investment in debt instruments, derivative instruments, 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, 2024, 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. 752,55.35 lakhs as of March 31, 2024 (March 31, 2023 - Rs. 1132,18.71 lakhs)

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 unsecured 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, 2024:

	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total contractual cashflows
(₹ in Lakhs)						
Non-derivatives						
Borrowings	85,00.00	92,58.20	-	-	-	92,58.20
Debt securities	3438,48.42	2532,88.05	389,32.14	831,32.94	-	3753,53.13
Trade & Other payables	74.33	74.33	-	-	-	74.33
Other financial liabilities	48,14.85	22,10.85	-	-	26,04.00	48,14.85
Total	3572,37.60	2648,31.43	389,32.14	831,32.94	26,04.00	3895,00.51

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2023:

	(₹ 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	45,00.00	48,05.91	-	-	-	48,05.91
Debt securities	3686,43.66	1337,63.26	1600,93.82	1220,65.08	-	4159,22.16
Trade and Other payables	78.13	78.13	-	-	-	78.13
Other financial liabilities	47,23.91	21,19.91	-	-	26,04.00	47,23.91
Total	3779,45.70	1407,67.21	1600,93.82	1220,65.08	26,04.00	4255,30.11

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

(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.

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

	(₹ in Lakhs)	
	As at March 31 2024	As at March 31 2023
Non-derivative financial liabilities		
Variable rate borrowings	600,00.00	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 6,00.00 lakhs on income for the year ended March 31, 2024 and March 31, 2023 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.

Total debt includes all long and short-term borrowings as disclosed in notes 15 and 16 to the financial statements.

Below are the key regulatory capital ratios at the year end dates

	(₹ in Lakhs)	
Particulars	As at March 31 2024	As at March 31 2023
CRAR (%)	35.82%	41.61%
CRAR - Tier I capital (%)	35.82%	41.61%
CRAR - Tier II capital (%)	0.00%	0.00%
Amount of Subordinated Debt raised as Tier II Capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-
Liquidity Coverage Ratio	NA	NA

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

49 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

Particulars	As at March 31,	As at March 31,
	2024	2023
1 Investments & loans to group companies as a proportion of Net Assets (%)	99.43%	99.27%
2 Investments in equity shares and compulsorily convertible instruments of group companies as a proportion of Net Assets (%)	83.94%	80.30%
3 Capital Adequacy Ratio (%) [Adjusted Net Worth / Risk Weighted Assets]	35.82%	41.61%
4 Leverage Ratio (times) [Outside liabilities / Adjusted Net worth]	1.51	1.46

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

Particulars	Period	(₹ in Lakhs)										
		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, 2024	-	-	-	-	53,33.20	-	50,92.29	-	-	-	104,25.49
	March 31, 2023	34,02.74	-	-	52,63.81	-	-	51,21.60	-	-	-	137,88.15
2 Advances	March 31, 2024	94,82.35	20,00.20	366,79.04	-	-	-	267,92.74	-	-	-	749,54.33
	March 31, 2023	113,83.53	107,89.50	320,90.41	288,91.17	-	-	300,00.00	-	-	-	1131,54.61
3 Investments	March 31, 2024	-	-	-	-	-	-	-	-	300,00.00	7615,13.56	7915,13.56
	March 31, 2023	96,05.00	-	-	-	-	-	-	-	200,00.00	7715,13.09	8011,18.09
4 Borrowings	March 31, 2024	-	-	-	641,39.98	-	-	1851,08.92	1030,99.52	-	-	3523,48.42
	March 31, 2023	-	-	-	395,17.00	-	121,51.00	772,86.00	1813,16.66	628,73.00	-	3731,43.66

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Notes forming part of standalone financial statements for the year ended March 31, 2024

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

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
1 ANW as a % of Risk Weighted Assets	35.82%	41.61%
2 Unrealized appreciation in the book value of quoted investments	-	5.01
3 Diminution in the aggregate book value of quoted investments	-	-
4 Leverage Ratio	1.51	1.46

(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

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
1 Off balance sheet exposure	1231,00.00	-
2 Financial Guarantee as a % of total off-balance sheet exposure	100%	0%
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

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
1 Value of Investments		
(i) Gross Value of Investments		
a) In India	7915,13.56	8022,18.96
b) Outside India	-	-
(ii) Provisions for Depreciation		
a) In India	-	11,00.87
b) Outside India	-	-
(iii) Net Value of Investments		
a) In India	7915,13.56	8011,18.09
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	11,00.87	-
(iv) Closing balance	-	11,00.87

(G) Business Ratios

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
1 Return on Equity (RoE)	(2.23%)	(1.11%)
2 Return on Assets (RoA)	(1.37%)	(0.68%)
3 Net profit per employee (Rs in lakhs)	-	-

For the computation of ROA, 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

Break up of 'Provisions and Contingencies' shown in schedule 'Impairment of financial instruments and other assets' in statement of profit and loss

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
Allowances for loan losses	(1,51.85)	4,52.87
Allowance for investments	(11,00.87)	-
Investments written off	11,00.87	0.14
Allowance for doubtful assets	(0.08)	9.37
Other write off	0.03	-

(I) Concentration of NPAs

Particulars	(₹ in lakhs)	
	Amount	Exposure as a % of total assets
Total Exposure to top five NPA accounts	NIL	NIL

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

	Rating agency	Year	Instruments					
			Long-term bank facilities	Short-term bank facilities	Secured Non-convertible debentures	Unsecured NCDs	Commercial papers	Perpetual debt
1	CRISIL	31-Mar-24	N.A	N.A	N.A	CRISIL AA/POSITIVE	CRISIL A1+	CRISIL AA/POSITIVE
		31-Mar-23	N.A	N.A	N.A	CRISIL AA-/ STABLE	CRISIL A1+	CRISIL AA-/ STABLE
2	ICRA	31-Mar-24	ICRA AA / STABLE	N.A	N.A	ICRA AA / STABLE	ICRA A1+	N.A
		31-Mar-23	ICRA AA- / POSITIVE	N.A	N.A	ICRA AA- / POSITIVE	ICRA A1+	N.A
3	CARE	31-Mar-24	CARE AA+ / STABLE	CARE A1+	N.A	CARE AA+ / STABLE	CARE A1+	N.A
		31-Mar-23	CARE AA- / STABLE	CARE A1+	N.A	CARE AA- / STABLE	CARE A1+	N.A

(K) Sectoral exposure

Sectors	As at March 31, 2024			As at March 31, 2023		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1 Agriculture and Allied Activities	-	-	-	-	-	-
2 Industry	-	-	-	-	-	-
Total	-	-	-	-	-	-
3 Services	2383,55.35	-	-	1132,18.71	-	-
Total	2383,55.35	-	-	1132,18.71	-	-
4 Personal Loans	-	-	-	-	-	-
Total	-	-	-	-	-	-
5 Others, if any	-	-	-	-	-	-

L) Exposure to Capital Market

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	7315,13.56	7326,14.43
Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in	-	-
(ii) shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds;	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares /	-	-
(iv) convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
Loans sanctioned to corporate against the security of shares / bonds / debentures or other securities or on clean	-	-
(vi) basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) Bridge loans to companies against expected equity flows / issues;	-	-
(viii) underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	-	-
(ix) Financing to stockbrokers for margin trading;	-	-
All exposures to Alternative Investment Funds:	-	-
(x) (i) Category I	-	-
(ii) Category II	-	-
(iii) Category III	-	-
Total exposure to capital market	7315,13.56	7326,14.43

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

M) 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	(₹ in lakhs)	% of Total Deposits	% of Total Liabilities
Eleven (11 Nos)	3468,52.89	NA	96.99%

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

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

Particulars	(₹ in lakhs)	% of Total Borrowings
Ten (10 nos.)	3422,18.50	97.13%

(iv) Funding Concentration based on significant instrument / product

Name of the Instrument	(₹ in lakhs)	% of Total Liabilities
Commercial Paper (CP)	896,29.12	25.06%
Non Convertible Debentures (NCDs)	2542,19.30	71.09%
Inter-Corporate Deposits (ICD)	85,00.00	2.38%
Total	3523,48.42	98.53%

(v) Stock Ratios

Particulars	(₹ in lakhs)		
	Total Public Funds	Total Liabilities	Total Assets
Commercial papers as a % of Non Convertible Debentures (original maturity of less than one year) as a % of Other short-term liabilities as a % of	16.84%	25.06%	10.03%
	NA	NA	NA
	30.48%	45.38%	18.15%

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 constituted an Asset Liability Supervisory Committee (ALCO), to oversee liquidity risk management. ALCO consists of Non-Executive Directors, Manager (KMP), Chief Financial Officer, Chief Digital and Marketing Officer, Chief Credit Officer, Chief Risk Officer and Head - Treasury. The ALCO meetings are held every quarter. 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 (LRM). 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 2022-23

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

No. of Significant Counterparties	(₹ in lakhs)	% of Total	% of Total
Ten (10 Nos)	3689,90.49	NA	97.56%

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

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

Particulars	(₹ in lakhs)	% of Total
Ten (10 nos.)	3689,90.49	98.89%

(iv) Funding Concentration based on significant instrument / product

Name of the Instrument	(₹ in lakhs)	% of Total
Commercial Paper (CP)	1244,54.26	32.90%
Non Convertible Debentures (NCDs)	2441,89.40	64.56%
Inter-Corporate Deposits (ICD)	45,00.00	1.19%
Total	3731,43.66	98.65%

(v) Stock Ratios

Particulars	(₹ in lakhs)		
	Total Public Funds	Total Liabilities	Total Assets
Commercial papers as a % of Non Convertible Debentures (original maturity of less than one year) as a % of Other short-term liabilities as a % of	22.50%	32.90%	13.23%
	NA	NA	NA
	1.26%	1.85%	0.74%

Note:

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

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

(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.

N) 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 (as amended)

F.Y. 2023-24

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and
1	2	3	4	5=3-4	6	7= 4-6
Performing Asset						
Standard Asset	Stage-1	752,55.35	3,01.02	749,54.33	3,01.02	-
	Stage-2	-	-	-	-	-
Subtotal		752,55.35	3,01.02	749,54.33	3,01.02	-
Non-Performing Asset (NPA)						
SubStandard						
	Stage-3	-	-	-	-	-
Doubtful up to 1 Year	Stage-3	-	-	-	-	-
1 to 3 Years	Stage-3	-	-	-	-	-
More than 3 Years	Stage-3	-	-	-	-	-
Subtotal of Doubtful		-	-	-	-	-
Loss	Stage-3	-	-	-	-	-
Subtotal of NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage-1	-	-	-	-	-
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
Subtotal		-	-	-	-	-
TOTAL	Stage-1	752,55.35	3,01.02	749,54.33	3,01.02	-
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
		752,55.35	3,01.02	749,54.33	3,01.02	-

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

F.Y. 2022-23

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and
1	2	3	4	5=3-4	6	7= 4-6
Performing Asset						
Standard Asset	Stage-1	1132,18.71	4,52.87	1127,65.84	4,52.87	-
	Stage-2	-	-	-	-	-
Subtotal		1132,18.71	4,52.87	1127,65.84	4,52.87	-
Non-Performing Asset (NPA)						
SubStandard						
	Stage-3	-	-	-	-	-
Doubtful up to 1 Year	Stage-3	-	-	-	-	-
1 to 3 Years	Stage-3	-	-	-	-	-
More than 3 Years	Stage-3	-	-	-	-	-
Subtotal of Doubtful		-	-	-	-	-
Loss	Stage-3	-	-	-	-	-
Subtotal of NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage-1	-	-	-	-	-
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
Subtotal		-	-	-	-	-
TOTAL	Stage-1	1132,18.71	4,52.87	1127,65.84	4,52.87	-
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
		1132,18.71	4,52.87	1127,65.84	4,52.87	-

50 Other disclosures

- (a) No penalties were imposed by RBI and other regulators during the year ended March 31, 2024. (year ended March 31, 2023 : Nil)
- (b) The Company does not have any exposure in real estate sector during the year ended March 31, 2024. (year ended March 31, 2023 : Nil)
- (c) The Company being CIC, the prudential exposure limits in respect to single borrower limit / group borrower limit is not applicable.
- (d) 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).
- (e) The Company has not entered in to any derivative contracts during the year ended March 31, 2024 or holds any exposure in respect of derivative transactions as on March 31, 2024. (year ended March 31, 2023 : Nil)
- (f) The Company has not drawn down any amounts from the reserves during the year ended March 31, 2024 except as disclosed in Statement of Changes in Equity. (year ended March 31, 2023 : Nil)
- (g) The Company has not sold any Financial Assets to Securitisation / Reconstruction Company for Asset Reconstruction during the year ended March 31, 2024. (year ended March 31, 2023 : Nil)
- (h) There is no loans to directors and its relatives, entities associated with directors and their relatives & senior officers and their relatives.
- (i) The Company has not purchased any non-performing financial assets during the year ended March 31, 2024. (year ended March 31, 2023 : Nil)
- (j) Overseas assets (for those with joint ventures and subsidiaries abroad).
The Company does not have any joint venture or subsidiary abroad, hence not applicable.
- (k) Customer Complaints:
The customer complaints during the year were NIL due to no customer interaction.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

- (l) The amount of unsecured advances stood at Rs. 749,54.33 Lakhs (March 31, 2023: Rs. 1127,65.84). Further, the Company has not granted unsecured advances against collateral of intangible securities such as charge over the rights, licenses or authority.
- (m) The Company has not obtained any Registration/ licence/ authorisation, by whatever name called, from other financial sector regulators.
- (n) The Company has not traded/invested in crypto currency or virtual currency for the year ended March 31, 2024 and March 31, 2023.
- (o) (i) During the three months ended June 30, 2023, pursuant to demerger of Non-Banking Finance business (NBFC undertaking) of TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited] into Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited], assets and liabilities of NBFC undertaking were transferred from TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited] to Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited] at their respective book value. The Company had received 326,889,441 equity shares having face value of Rs. 100 each of Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited]. Post demerger, proportionate carrying value of investments into equity shares of TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited] was reallocated to carrying value of investments in Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited] in the same ratio as the net book value of the assets transferred in the demerger bears to the networth of the TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited] immediately before such demerger. Accordingly, value of investment in equity shares of TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited] was reduced and value of investments in equity shares of Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited] was increased by Rs. 5544,59.28 lacs.
- (ii) Further, the said Scheme involved capital reduction in the books of the TMF Business Services Limited (TMFBSL) [formerly known as Tata Motors Finance Limited]. Post Capital reduction, face value of per equity shares was reduced from Rs. 100 to Rs. 3.80/-.
- (p) There is no unhedged foreign currency exposure as on March 31, 2024 and March 31, 2023. To mitigate the risk arising in case foreign currency exposure, the company undertakes derivative transactions for hedging foreign currency transactions on balance sheet assets and liabilities as per its approved Risk Management Policy. The policy has mandated 100% hedge for foreign exposures. The company has identified list of banks to enter into hedging transaction with an aggregate total limit and tenure as per the policy.
- (q) There is no breach of covenant for any borrowings undertaken by the Company.
- (r) The Company does not have any exceptional items of income and expenditure during the year ended March 31, 2024. (year ended March 31, 2023 : Nil)
- (s) The company does not have any divergence in provisioning and gross NPA reported by company and assessed by RBI during its last inspection.
- (t) 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.
- (u) There are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year ended March 31, 2024 and March 31, 2023 in the tax assessments under the Income Tax Act, 1961.

As per our report of even date attached

For and on behalf of the Board of Directors

For Sudit K. Parekh & Co. LLP
Chartered Accountants
Firm Registration Number: 110512W/W100378

N. V. SIVAKUMAR
Director
(DIN - 03534101)

P.B. BALAJI
Director
(DIN - 02762983)

Nemish Kapadia
Partner
Membership No. 111929
Place : Mumbai
Date: May 2, 2024

SAMRAT GUPTA
Director
(DIN - 07071479)

ANAND BANG
Manager

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary
(Membership No :- A7911)

Place: Mumbai
Date: May 2, 2024

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

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)

(₹ in lakhs)

Particulars		Amount outstanding	Amount overdue
Liabilities side:			
(1)	Loans and advances availed by the CIC inclusive of interest accrued thereon but not paid:		
	(a) Debentures : Secured		-
	: Unsecured (Note 1)	2564,30.15	-
	(other than falling within the meaning of public deposits)		
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowings	85,00.00	-
	(e) Commercial Papers (Note 2)	896,29.12	-
	(f) Other Loans		
	- Working capital demand loan	-	-
	- Cash Credit		
	- From banks	-	-
	- From others	-	-
	- Liability Component of compound financial instruments	-	-
Assets side:			Amount Outstanding
(2)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
	(a) Secured		-
	(b) Unsecured		749,54.33
(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		-
	(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		-

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

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)

	2 Unquoted: (i) Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others	- - -		
	Long Term Investments: 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	- - 200,00.00 - - -		
	2 Unquoted: (i) Shares : (a) Equity (Investment in subsidiaries) (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others	7315,13.56 - 400,00.00 - - -		
(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	-	267,92.40	267,92.40
	(b) Companies in the same group	-	117,52.80	117,52.80
	(c) Other related parties	-	364,09.13	364,09.13
	2 Other than Related Parties			
	Total	-	749,54.33	749,54.33
(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	7915,13.56		7915,13.56
	(b) Companies in the same group	-		-
	(c) Other related parties	-		-
	2 Other than Related Parties	-		-
	Total	7915,13.56		7915,13.56

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Notes forming part of standalone financial statements for the year ended March 31, 2024

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)

(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. 205,66.53 lakhs.

Note 2: Commercial Paper are net of unamortised discounting charges amounting to Rs. 28,70.88 lakhs.

For and on behalf of the Board of Directors

N. V. SIVAKUMAR
Director
(DIN - 03534101)

P.B. BALAJI
Director
(DIN - 02762983)

SAMRAT GUPTA
Director
(DIN - 07071479)

ANAND BANG
Manager

RIDHI GANGAR
Chief Financial Officer

VINAY LAVANNIS
Company Secretary
(Membership No :- A7911)

Place: Mumbai
Date: May 2, 2024