TMF HOLDINGS LIMITED

Financial Statements for year ended March 31, 2023

Along with Independent Auditors Report

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, 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Description of Key Audit Matter

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

Independent Auditor's Report (Continued)

TMF Holdings Limited

Key audit matter	How the matter was addressed in our audit
Information technology	
We have focused on user access management, change management, interface controls and system application controls over key financial accounting and reporting systems.	• We tested the design and operating effectiveness of key controls over user access management which includes granting access rights, new user creation, modification, removal of user rights, user access review and preventative controls designed to enforce segregation of duties. • For a selected group of key controls over financial and reporting systems, we independently performed procedures to determine the operating effectiveness of application controls. For those controls that were changed during the year, we tested the change management process. • We evaluated the design, implementation and operating effectiveness of the significant accounts related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission. • Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and that business users and developers did not have access to migrate changes in the production environment and the privileged access to applications, operating system and databases is restricted to authorized personnel. • For system implemented/ 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.

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

Responsibilities of Management and the Board of Directors for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial 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 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

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

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as on March 31, 2023 on its financial position in its Standalone Financial Statements – Refer Note 32 to the Standalone Financial Statements.

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

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

iv. a) The management has represented that, to the best of its knowledge and belief, other than as those disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The management has represented that, to the best of its knowledge and belief, other than as those disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on our audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The Company has not declared / paid any dividend during the year.

Independent Auditor's Report (Continued)

TMF Holdings Limited

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014, in respect of maintenance of books of accounts in electronic mode using accounting software having audit trail feature, shall be applicable for the company with effect from April 1, 2023, we shall not be able to report as per the requirements of clause (g) of the above referred Rule.

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

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Nemish Kapadia
Partner
Membership No: 111929
ICAI UDIN No: 23111929BGQNXT2234
Place: Mumbai
Date: May 02, 2023

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)	1,90,000	-	1,90,000
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	**1,90,000**		**1,90,000**
Percentage of loans/ advances in nature of loans to the total loans	33%	-	33%

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 at March 31, 2023, 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, 2023 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	8,169.58	AY 2017-18	CIT (A)

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

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

(b) According to the information and explanations given to us and based on our audit procedures, we are of the opinion that the Company has not been declared 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, the management of the Company is of the view that the Company is able to generate sufficient funds from long term sources either through its operations or other means to meet the working capital requirements arising from the event of short-term sources falling due for payment. On an overall examination of the Financial Statements of the Company, Rs. 40,000 lakhs raised on short-term basis have been used during the year 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 five Core Investment Companies (CICs) which are registered with the Reserve Bank of India (RBI) and one CIC which is not required to be registered with the RBI.

xvii. According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that, the Company has incurred cash losses during the current financial year (FY 2022-23) amounting to Rs. 5,744.72 Lakhs, however the Company had not incurred cash losses in the preceding financial year (FY 2021-22).

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

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Nemish Kapadia
Partner
Membership No: 111929
pICAI UDIN No: 23111929BGQNXT2234
Place: Mumbai
Date: May 02, 2023

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

Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

Opinion

We have audited the internal financial controls over financial reporting with reference to the Standalone Financial Statements of TMF Holdings Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to the Standalone Financial Statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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 over financial reporting 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 over financial reporting 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 over financial reporting with reference to the Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

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

TMF Holdings Limited

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

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

KAPADIA NEMISH BHARAT

Digitally signed by KAPADIA NEMISH BHARAT
DN: c=IN, st=Maharashtra, 2.5.4.20=2a7cc1bf0b03e42209282ce58092a5f13433baf1f45c9696e878624c1abeb194, postalCode=400067, street=A-302,RNA Regency Park, M.G. Road, Near Hindustan Naka, Kandiwali West, serialNumber=f515b6d0388158cd58660e58dcd1bbf2787d2f1a0cd498ad93043b1ab57f9fba, o=Personal, cn=KAPADIA NEMISH BHARAT, pseudonym=94d56fad2dd3fc7459c62c0aa3622c1d
Date: 2023.05.02 18:38:16 +05'30'

Nemish Kapadia
Partner
Membership No: 111929
ICAI UDIN No: 23111929BGQNXT2234
Place: Mumbai
Date: May 02, 2023

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Standalone Balance Sheet as at March 31, 2023

(₹ in lakhs)

Particulars	Notes	As at March 31 2023	As at March 31 2022
I ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	4	37,08.79	878,50.45
(b) Bank balance other than cash and cash equivalents	5	100,00.00	100,00.00
(c) Receivables			
i. Trade receivables	6	-	-
ii. Other receivables	7	1,53.00	10.24
(d) Loans	8	1127,65.84	-
(e) Investments	10	8011,18.09	7214,77.11
(f) Other financial assets	9	34,78.90	34,77.93
		9312,24.62	**8228,15.73**
2 Non-financial assets			
(a) Current tax assets (net)		76,33.03	59,43.92
(b) Investment Property	11	18,08.33	18,43.86
(c) Property, plant and equipment	12	46.40	50.04
(d) Other non-financial assets	13	65.27	34.04
		95,53.03	**78,71.86**
Total assets		**9407,77.65**	**8306,87.59**
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	0.04
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		67.31	94.36
(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	6.30
(b) Debt securities	15	3686,43.66	2442,75.48
(c) Borrowings (Other than debt securities)	16	45,00.00	12,76.54
(d) Other financial liabilities	17	47,23.91	15,82.22
		3779,45.70	**2472,34.94**
2 Non-financial liabilities			
(a) Current tax liabilities (net)		2,33.07	2,33.36
(b) Provisions	18	15.33	44.23
(c) Other non-financial liabilities	19	36.80	64.23
		2,85.20	**3,41.82**
3 Equity			
(a) Equity share capital	20	1741,59.34	1648,28.34
(b) Instruments entirely equity in nature	20A	1800,00.00	1800,00.00
(c) Other equity		2083,87.41	2382,82.49
		5625,46.75	**5831,10.83**
Total liabilities and equity		**9407,77.65**	**8306,87.59**

See accompanying notes forming part of standalone financial statements (1 to 51)

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

KAPADIA NEMISH BHARAT
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Date: 2023.05.02 18:32:39 +05'30'

Nemish Kapadia
Partner
Membership No. 111929

Place : Mumbai
Date: May 2, 2023

For and on behalf of the Board of Directors

Palamadai Sundararajan Jayakumar
Digitally signed by Palamadai Sundararajan Jayakumar
Date: 2023.05.02 17:03:07 +05'30'
P. S. JAYAKUMAR
Director
(DIN - 01173236)

PATHAMADAI BALACHANDRAN BALAJI
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Date: 2023.05.02 16:29:17 +05'30'
P.B. BALAJI
Director
(DIN - 02762983)

SAMRAT GUPTA
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SAMRAT GUPTA
Director
(DIN - 07071479)

ANAND BANG
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ANAND BANG
Manager

RIDHI ZAVERI GANGAR
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RIDHI GANGAR
Chief Financial Officer

VINAY BABURAO LAVANNIS
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Date: 2023.05.02 16:58:31 +05'30'
VINAY LAVANNIS
Company Secretary
Membership No :- A7911

Place: Mumbai
Date: May 2, 2023

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Standalone Statement of Profit and Loss for the Year ended March 31, 2023

(₹ in lakhs)

	Particulars	Notes	For the year ended March 31 2023	For the year ended March 31 2022
I	**Revenue from operations**			
	(a) Interest income	**21**	126,90.17	116,32.07
	(b) Dividend income		-	84,94.84
	(c) Rental income		4,54.08	6,43.17
	(d) Net gain on fair value changes	**22**	8,05.96	17,67.90
	(e) Other fees and service charges		36.96	59.00
	Total Revenue from operations		**139,87.17**	**225,96.98**
II	**Other income**	**23**	59,07.57	89,32.51
III	**Total income (I + II)**		**198,94.74**	**315,29.49**
IV	**Expenses:**			
	(a) Finance cost	**24**	251,75.48	256,38.99
	(b) Impairment of financial instruments and other assets	**25**	462.24	-
	(c) Employee benefits expenses	**26**	-	9.43
	(d) Depreciation, amortization and impairment	**11,12**	38.89	80.13
	(e) Other expenses	**27**	4,46.69	4,39.97
	Total expenses		**261,23.30**	**261,68.52**
V	**Profit / (Loss) before exceptional items and tax (III - IV)**		**(62,28.56)**	**53,60.97**
VI	**Exceptional items**		**-**	**-**
VII	**Profit / (Loss) before tax (V - VI)**		**(62,28.56)**	**53,60.97**
VIII	**Tax expense**	**28**		
	(a) Current tax		-	**-**
	(b) Deferred tax		**-**	**-**
	Total tax expense		**-**	**-**
IX	**Profit / (Loss) for the year (VII - VIII)**		**(62,28.56)**	**53,60.97**
X	**Other comprehensive income**			
	A i. Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit plans		**-**	**(3.27)**
	Other Comprehensive Income		**-**	**(3.27)**
XI	**Total comprehensive income for the year (IX + X)**		**(62,28.56)**	**53,57.70**
XII	**Earnings per share of (Face value Rs 10 each)**	**29**		
	Basic (in Rs.)		(1.18)	(0.33)
	Diluted (in Rs.)		(1.18)	(0.33)

See accompanying notes forming part of standalone financial statements (1 to 51)

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

KAPADIA NEMISH BHARAT
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Date: 2023.05.02 18:33:31 +05'30'

Nemish Kapadia
Partner
Membership No. 111929

Place : Mumbai
Date: May 2, 2023

For and on behalf of the Board of Directors

Palamadai Sundarararajan Jayakumar
Digitally signed by Palamadai Sundarararajan Jayakumar
Date: 2023.05.02 17:06:20 +05'30'
P. S. JAYAKUMAR
Director
(DIN - 01173236)

PATHAMADAI BALACHANDRAN BALAJI
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Date: 2023.05.02 16:29:52 +05'30'
P.B. BALAJI
Director
(DIN - 02762983)

SAMRAT GUPTA
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SAMRAT GUPTA
Director
(DIN - 07071479)

ANAND BANG
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ANAND BANG
Manager

RIDHI ZAVERI GANGAR
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Date: 2023.05.02 16:43:06 +05'30'
RIDHI GANGAR
Chief Financial Officer

VINAY BABURAO LAVANNIS
Digitally signed by VINAY BABURAO LAVANNIS
Date: 2023.05.02 16:58:54 +05'30'
VINAY LAVANNIS
Company Secretary
Membership No :- A7911

Place: Mumbai
Date: May 2, 2023

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)
Standalone Cash Flow Statement for the year ended March 31, 2023

(₹ in lakhs)

	Particulars	For the year ended March 31 2023	For the year ended March 31 2022
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net (loss) / Profit before tax for the year	**(62,28.56)**	**53,60.97**
	Adjustments for:		
	Interest income on loans, deposits and investments	(126,90.17)	(116,32.07)
	Balance written back	(12.57)	4.91
	Finance costs	251,75.48	256,38.99
	Depreciation and impairment	38.89	80.13
	Gain on sale of investments	(8,69.67)	(14,09.43)
	Net loss on fair value changes (unrealised)	(5.01)	-
	Dividend income	-	(84,94.84)
	Allowances for loan losses (net)	462.24	-
	Profit on sale of property, plant and equipment	(0.01)	(19,94.79)
	Operating cash flow before working capital changes	**58,70.62**	**75,53.87**
	Movements in working capital		
	Trade receivables	-	90.14
	Other receivables	(1,42.76)	33.32
	Trade payables	(14.45)	30.08
	Other payables	4.45	(5,70.92)
	Other financial assets	44.81	14.11
	Other non-financial assets	(31.15)	1,82.99
	Other financial liabilities	0.23	(0.02)
	Provision for expenses	(28.90)	22.81
	Other non-financial liabilities	(27.43)	(1,67.44)
		56,75.42	**71,88.94**
	Finance costs paid	(92,14.13)	(378,42.72)
	Dividend income	-	84,94.84
	Interest income received on loans, deposits and investments	125,70.91	117,87.99
	Income taxes (paid) (net)	(16,89.40)	(22,80.36)
	Net cash (used in) operating activities	**73,42.80**	**(126,51.31)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Proceeds from sale of property, plant and equipment	0.02	35,41.78
	Investment of channel finance	(385,679.84)	
	Recovery of channel finance	302,525.23	
	Inter corporate deposit placed	(30,000.00)	
	Purchase of mutual fund units	(13744,58.28)	(8371,58.14)
	Redemption of mutual fund units	13657,28.42	9229,38.82
	Investment in equity shares of subsidiaries	(700,36.45)	-
	Investment in preference shares of subsidiaries	-	(328,42.24)
	Redemption of Non - Convertible Debentures (NCDs)	-	47,00.00
	Net cash (used in) / generated from investing activities	**(1919,20.89)**	**611,80.22**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Distributions made to holders of instruments entirely equity in nature	(143,35.52)	(110,50.89)
	Proceeds from issue of instruments entirely equity in nature (net of issue expenses)	-	411,15.97
	Dividend paid on Compulsorily Convertible Preference Shares	-	(13,02.00)
	Proceeds from borrowings (other than debt securities)	1254,42.35	5,00.00
	Repayment of borrowings (other than debt securities)	(1327,80.10)	(5,00.00)
	Proceeds from issue of debt securities	182,109.70	1763,72.36
	Repayment of debt securities	(600,00.00)	(1670,68.79)
	Net cash generated from financing activities	**1004,36.43**	**380,66.65**
	Net (decrease) / increase in cash and cash equivalents (A + B + C)	**(841,41.66)**	**865,95.55**
	Cash and cash equivalents at the beginning of the year	878,50.45	12,54.90
	Cash and cash equivalents at the end of the year (Refer Note 4)	37,08.79	878,50.45
Net (decrease) / increase in cash and cash equivalents (A + B + C)		**(841,41.66)**	**865,95.55**

See accompanying notes forming part of standalone financial statements (1 to 51)

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".

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

KAPADIA NEMISH BHARAT
Digitally signed by KAPADIA NEMISH BHARAT Date: 2023.05.02 18:34:25 +05'30'

Nemish Kapadia
Partner
Membership No. 111929

Place : Mumbai
Date: May 2, 2023

For and on behalf of the Board of Directors

Palamadai Sundararajan Jayakumar
Digitally signed by Palamadai Sundararajan Jayakumar Date: 2023.05.02 17:06:49 +05'30'
P. S. JAYAKUMAR
Director
(DIN - 01173236)

PATHAMADAI BALACHANDRAN BALAJI
Digitally signed by PATHAMADAI BALACHANDRAN BALAJI Date: 2023.05.02 16:30:34 +05'30'
P.B. BALAJI
Director
(DIN - 02762983)

SAMRAT GUPTA
Digitally signed by SAMRAT GUPTA Date: 2023.05.02 16:48:13 +05'30'
SAMRAT GUPTA
Director
(DIN - 07071479)

ANAND BANG
Digitally signed by ANAND BANG Date: 2023.05.02 16:56:34 +05'30'
ANAND BANG
Manager

RIDHI ZAVERI GANGAR
Digitally signed by RIDHI ZAVERI GANGAR Date: 2023.05.02 16:43:28 +05'30'
RIDHI GANGAR
Chief Financial Officer

VINAY BABURAO LAVANNIS
Digitally signed by VINAY BABURAO LAVANNIS Date: 2023.05.02 16:59:16 +05'30'
VINAY LAVANNIS
Company Secretary
Membership No :- A7911

Place: Mumbai
Date: May 2, 2023

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)

Notes forming part of the standalone financial statements for the Year ended March 31, 2023

A. Equity share capital

Particulars	As at March 31 2023 Number	As at March 31 2023 ₹ in lakhs	As at March 31 2022 Number	As at March 31 2022 ₹ in lakhs
Shares outstanding at the beginning of the year	1,648,283,442.00	1648,28.34	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	1,648,283,442.00	1648,28.34	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**	**1,648,283,442.00**	**1648,28.34**

B. Instruments entirely equity in nature

Particulars	As at March 31 2023 Number	As at March 31 2023 ₹ in lakhs	As at March 31 2022 Number	As at March 31 2022 ₹ in lakhs
Balance as at beginning of the year	18,000	1800,00.00	13,500	1350,00.00
Issued during the year	-	-	4,500	450,00.00
Balance as at end of the year	**18,000**	**1800,00.00**	**18,000**	**1800,00.00**

C. Other equity

(₹ in lakhs)

Particulars	Equity component of compound financial instrument (Refer Note 20B)	Reserve and surplus: Special reserve*	Securities premium account	Capital reserve	Retained earnings: Undistributable (IndAS 101)	Retained earnings: Distributable	Total
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 year	-	-	277,41.59	-	-	-	277,41.59
Conversion of CCPS to equity	(370,72.59)	-	-	-	-	-	(370,72.59)
Distributions made to holders of instruments entirely equity in nature (net of tax)	-	-	-	-	-	(143,35.52)	(143,35.52)
Balance as at March 31, 2023	**-**	**257,82.87**	**1947,04.53**	**50,90.59**	**5,52.86**	**(177,43.44)**	**2083,87.41**

Other equity

(₹ in lakhs)

Particulars	Equity component of compound financial instrument (Refer Note 20B)	Reserve and surplus: Special reserve	Securities premium account	Capital reserve	Retained earnings: Undistributable (IndAS 101)	Retained earnings: Distributable	Total
Balance as at April 1, 2021	370,72.59	247,10.68	1669,62.94	50,90.59	5,52.86	134,70.06	2478,59.72
Profit for the year	-	-	-	-	-	53,60.97	53,60.97
Remeasurements of the defined benefit plans	-	-	-	-	-	(3.27)	(3.27)
Distributions made to holders of instruments entirely equity in nature	-	-	-	-	-	(110,50.90)	(110,50.90)
Issue expenses pertaining to instrument entirely equity in nature	-	-	-	-	-	(38,84.03)	(38,84.03)
Transfer to Special Reserve	-	10,72.19	-	-	-	(10,72.19)	-
Balance as at March 31, 2022	**370,72.59**	**257,82.87**	**1669,62.94**	**50,90.59**	**5,52.86**	**28,20.64**	**2382,82.49**

***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 51)

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

KAPADIA NEMISH BHARAT

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DN: c=IN, st=Maharashtra, 2.5.4.20=2a7cc1bf0b03e42209282ce58092a5f13433baf1f45c9696e878624c1abeb194, postalCode=400067, street=A-302,RNA Regency Park, M.G. Road, Near Hindustan Naka, Kandiwali West, serialNumber=f515b6d0388158cd58660e58dcd1bbf2787d2f1a0cd498ad93043b1ab57f9fba, o=Personal, cn=KAPADIA NEMISH BHARAT, pseudonym=94d56fad2dd3fc7459c62c0aa3622c1d
Date: 2023.05.02 18:35:18 +05'30'

Nemish Kapadia
Partner
Membership No. 111929

Place : Mumbai
Date: May 2, 2023

For and on behalf of the Board of Directors

Palamadai Sundararajan Jayakumar
Digitally signed by Palamadai Sundararajan Jayakumar
Date: 2023.05.02 17:07:14 +05'30'

P. S. JAYAKUMAR
Director
(DIN - 01173236)

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P.B. BALAJI
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SAMRAT GUPTA
Director
(DIN - 07071479)

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Date: 2023.05.02 16:56:55 +05'30'

ANAND BANG
Manager

RIDHI ZAVERI GANGAR
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RIDHI GANGAR
Chief Financial Officer

VINAY BABURAO LAVANNIS
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Date: 2023.05.02 16:59:39 +05'30'

VINAY LAVANNIS
Company Secretary
Membership No :- A7911

Place: Mumbai
Date: May 2, 2023

1 Company information

TMF Holdings Limited (the "Company") is registered as a Non-Banking Financial (Non-Deposit Accepting or Holding) Company ("NBFC") under section 45-IA of the Reserve Bank of India ('RBI'), Act 1934 with effect from August 9, 2006. Pursuant to application requesting for conversion of the Company to a Core Investment Company, submitted to RBI on June 23, 2017, RBI issued a fresh Certificate of Registration of NBFC - Non Deposit taking - Systemically Important - Core Investment Company (CIC) dated October 12, 2017 to the Company. The Company is a subsidiary of Tata Motors Limited. With effect from June 17, 2017, the name of the Company has changed to TMF Holdings Limited from Tata Motors Finance Limited.
The Company is primarily a holding company, holding investments in its subsidiaries, associates and other Group companies.
The standalone financial statements were approved by the Board of Directors and authorised for issue on May 2, 2023.

2 Basis of preparation of standalone financial statements

2.1 Statement of compliance

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

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

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

2.2 Historical cost convention

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

2.3 Presentation of standalone financial statements

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

3 SIGNIFICANT ACCOUNTING POLICIES

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

(i) Use of estimates and judgments

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

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

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements are included in following notes :
a) Note 3 (xiv)- Business model assessment for classification and measurement of financial assets
b) Note 3(xiv) - Impairment of financial assets based on the expected credit loss model
c) Note 3(ii) - Recognition of interest income/expenses using Effective Interest Rate (EIR) method.
d) Note 3(vi) - Useful lives of property, plant and equipment and intangible assets.
e) Note 3(ix) and 40 - Measurement of assets and obligations of defined benefit employee plans.
f) Note 3(iii) and 25 - Recognition of deferred tax assets.
g) Note 3(x) - Measurement and recognition of provisions and contingencies.
h) Note 3(xiv) and 43 - Fair value measurement of financial instruments.
i) Note 29 - Disclosure of contingent liabilities.
j) Note 3(viii) & (xiv)- Effective Interest Rate (EIR) methodology that represents the best estimate of a constant rate of return over the expected behavioural life of financial instruments.

(ii) Revenue recognition

(A) Revenue from operations

Interest Income

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

The EIR in case of a financial asset is computed

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

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

Dividend income

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

Rental Income

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

Fees and Commission Income

Fees and commissions which do not form part of the effective interest rate calculation are recognised when the Company satisfies the performance obligation and are accrued as and when they are due. Fees received for issuing guarantees is recognised in statement of profit and loss on a straight line basis over the tenure of the guarantee.

(B) Other Income:

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

(iii) Income Taxes

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the Statement of Profit & Loss.
Current income taxes are determined based on respective taxable income of Company and tax rules applicable for respective tax jurisdictions.

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

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

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

(iv) Cash and Cash equivalent

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

(v) Earning per share

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

(vi) 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.

(vii) 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.

(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

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.

(ix) Employee benefits

(A) Short term employee benefits

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

(B) Post Employment/retirement benefit Plans

(1) Defined contribution plans

Superannuation fund

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

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

(2) Defined benefit plans

(a) Provident fund

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

(b) Gratuity

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

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

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

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

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

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

(C) Other long term employee benefit plans

(1) Defined benefit plans

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

(x) Provisions and Contingent Liabilities

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.
If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to the net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.
Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are not recognised in the standalone financial statements.

(xi) Dividend

Any dividend declared or paid by Company is based on the profits available for distribution as reported in the standalone financial statements. Indian law mandates that dividend be declared out of distributable profits, after setting off un-provided losses and depreciation of previous years. In case of inadequacy or absence of profits in a particular year, a company may pay dividend out of accumulated profits of previous years transferred to Statement of Profit and Loss. However, in the absence of accumulated profits a company may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in these standalone financial statements may not be fully distributable. Further, Declaration of dividend from the profits of the financial year ending March 31, 2023 are also subject to guidelines of RBI in this regard.

(xii) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.
The power to assess the financial performance and position of the Company and make strategic decisions is vested in the Board of Directors committee who has been identified as the chief operating decisions maker.

(xiii) Investment in Subsidiaries and Joint Ventures

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

(xiiii) 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.

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 asstes, 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.

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) <u>Financial liabilities and equity instruments</u>

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.

<u>(I) Financial liabilities</u>

Initial recognition and measurement

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

The Company's financial liabilities majorly comprise of trade and other payables, loans and borrowings, including bank overdrafts and cash credit facility and derivative financial instruments.

Subsequent measurement

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

(a) At FVTPL:

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

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

Financial liabilities, designated upon initial recognition at FVTPL, are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

(b) At amortised cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest expenses in the profit or loss.

Derecognition of financial liabilities:

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

<u>Modification/Renegotiation that do not result in derecognition</u>

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

(II) Equity Instrument

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

(III) Compound financial Instrument

The components of compound financial instruments issued by the Company are classified 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.

(xv) Fair value measurement

The Company measures financial instruments, such as investments and derivatives at fair values at each Balance Sheet date.

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

(xvi) Offsetting financial instruments

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

(xvii) Recent Accounting Pronouncement

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. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

TMF HOLDINGS LIMITED (CIN - U65923MH2006PLC162503)

Notes forming part of Standalone Financial Statements for the year ended March 31, 2023

4 Cash and cash equivalents

(₹ in lakhs)

	Particulars	As at March 31 2023	As at March 31 2022
(a)	Balance with banks (refer note (i))	3,08.79	3,50.45
(b)	Bank deposit with original maturity of less than 3 months	34,00.00	875,00.00
	Total	**37,08.79**	**878,50.45**

(i) Includes ₹ 0.23 lacs towards unpaid dividend.

5 Bank balance other than cash and cash equivalents

(₹ in lakhs)

	Particulars	As at March 31 2023	As at March 31 2022
(a)	Deposits with banks	100,00.00	100,00.00
	Total	**100,00.00**	**100,00.00**

6 Trade receivables

(₹ in lakhs)

	Particulars	As at March 31 2023	As at March 31 2022
(a)	Receivables considered good - Unsecured	-	-
	Less: Impairment loss allowance	-	-
		-	-

7 Other receivables

(₹ in lakhs)

Particulars	As at March 31 2023	As at March 31 2022
(a) Other Receivables considered good - Unsecured	1,53.00	10.24
Total	**1,53.00**	**10.24**

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 2023	As at March 31 2022
(A) At amortised cost		
From Financing Activities		
(a) Credit substitutes	832,18.71	-
From other than financing activities		
(a) Inter corporate deposits (repayable on demand)	30,000.00	-
Total (A) - Gross	**1132,18.71**	-
Less: Impairment loss allowance	(452.87)	-
Total (A) - Net	**112,765.84**	-
(B) Unsecured	1132,18.71	-
Total (B) - Gross	**1132,18.71**	-
Less: Impairment loss allowance	(452.87)	-
Total (B) - Net	**1127,65.84**	-
(C)		
Loans in India		
(a) Public Sector	-	-
(b) Others	1132,18.71	-
Loans outside India		
(a) Public Sector	-	
(b) Others	-	
Total (C) - Gross	**1132,18.71**	-
Less: Impairment loss allowance	(452.87)	-
Total (C) - Net	**1127,65.84**	-

9 Other financial assets

(₹ in lakhs)

Particulars	As at March 31 2023	As at March 31 2022
(a) Deposits	35.68	44.97
(b) Interest accrued on deposits	3,88.15	3,33.00
(d) Interest accrued on investments	30,54.99	30,99.96
(e) Other	0.08	-
Total	**34,78.90**	**34,77.93**

10 Investments

(₹ in lakhs)

Particulars	As at March 31 2023 At fair value through profit or loss	As at March 31 2023 Amortised cost	As at March 31 2023 Others (at cost)	As at March 31 2023 Total	As at March 31 2022 Amortised cost	As at March 31 2022 Others (at cost)	As at March 31 2022 Total
Mutual Funds	96,04.53		-	**96,04.53**	-	-	**-**
Debt securities	-	608,35.00	-	**608,35.00**	608,35.00	-	**608,35.00**
Preference Shares							
-Subsidiaries	-	-	-	**-**	-	1456,19.01	**1456,19.01**
Equity instruments							
-Subsidiaries	-	-	7315,13.56	**7315,13.56**	-	5158,58.10	**5158,58.10**
-Joint Venture	-	-	2,65.87	**2,65.87**	-	2,65.87	**2,65.87**
Total (A) - Gross	**96,04.53**	**608,35.00**	**7317,79.43**	**8022,18.96**	**608,35.00**	**6617,42.98**	**7225,77.98**
Investments outside India	-	-	**-**	**-**	-	-	**-**
Investments in India	96,04.53	608,35.00	7317,79.43	**8022,18.96**	608,35.00	6617,42.98	**7225,77.98**
Total (B)	**96,04.53**	**608,35.00**	**7317,79.43**	**8022,18.96**	**608,35.00**	**6617,42.98**	**7225,77.98**
Less: Allowance for impairment loss	-	(8,35.00)	(2,65.87)	**(11,00.87)**	(8,35.00)	(2,65.87)	**(11,00.87)**
Total (D) = (A+C)	**96,04.53**	**600,00.00**	**7315,13.56**	**8011,18.09**	**600,00.00**	**6614,77.11**	**7214,77.11**

(₹ in lakhs)

10A Annexure I		As at March 31 2023 Quantity	As at March 31 2023 ₹	As at March 31 2022 Quantity	As at March 31 2022 ₹
(a) Measured at Amortised Cost					
(i) Debt Securities (quoted)					
Fully paid unsecured subordinated non-convertible debentures					
Tata Motors Finance Limited [Coupon rate - 9.95%]		20,00.00	200,00.00	20,00.00	200,00.00
	Subtotal	20,00.00	200,00.00	20,00.00	200,00.00
(ii) Debt Securities (unquoted)					
Fully paid unsecured subordinated non-convertible debentures					
Tata Motors Finance Limited [Coupon rate - 9%]		20,00.00	200,00.00	20,00.00	200,00.00
Tata Motors Finance Limited [Coupon rate - 10%]		10,00.00	100,00.00	10,00.00	100,00.00
Tata Motors Finance Limited [Coupon rate - 10.25%]		10,00.00	100,00.00	10,00.00	100,00.00
	Subtotal	40,00.00	400,00.00	40,00.00	400,00.00
Fully paid unsecured optionally convertible zero coupon debentures					
Loginomic Tech Solutions Private Limited (“TruckEasy”)		8350,00.00	8,35.00	8350,00.00	8,35.00
Less: Allowance for impairment loss		-	(8,35.00)	-	(8,35.00)
	Subtotal	8350,00.00	-	8350,00.00	-
	Total		**600,00.00**		**600,00.00**
(b) Measured at cost (Refer note 4)					
(i) Preference shares in subsidiary (unquoted) (Refer note 1 & 3)					
Fully paid cumulative compulsorily convertible preference shares					
Tata Motors Finance Limited [Coupon rate - 8.2%]		-	-	150000,00.00	300,00.00
Tata Motors Finance Limited [Coupon rate - 8.2%]		-	-	100000,00.00	202,69.70
Tata Motors Finance Limited [Coupon rate - 8.2%]		-	-	125000,00.00	255,07.07
Tata Motors Finance Limited [Coupon rate - 10%]		-	-	163000,00.00	328,42.24
Fully paid non-cumulative compulsorily convertible preference shares					
Tata Motors Finance Limited [Coupon rate - 10%]		-	-	185000,00.00	370,00.00
	Total	**-**	**-**	**723000,00.00**	**1456,19.01**
(c) Equity instruments					
(i) Subsidiaries					
Tata Motors Finance Limited [FV Rs.100/-] (Refer note 1 & 2)		961439,53.00	5613,96.61	590056,73.00	3457,41.15
Tata Motors Finance Solutions Limited [FV Rs.100/-]		1700497,35.00	1701,16.95	1700497,35.00	1701,16.95
	Subtotal	**2661936,88.00**	**7315,13.56**	**2290554,08.00**	**5158,58.10**
(ii) Joint Venture					
Loginomic Tech Solutions Private Limited (“TruckEasy”) [FV Rs.10/-]		312,00.00	2,65.87	312,00.00	2,65.87
Less: Allowance for impairment loss			(2,65.87)		(2,65.87)
	Subtotal	312,00.00	-	312,00.00	-
	Total	**2662248,88.00**	**7315,13.56**	**2290866,08.00**	**5158,58.10**
(d) Investment in Mutual fund (Measured at fair value through profit or loss)		-	9,604.53	-	-
	Total	**-**	**96,04.53**	**-**	**-**

Note:

1) During the year ended March 31, 2023, Tata Motors Finance Limited (TMFL), 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 TMFL against 723,00,000 CCPS of Rs. 100 each.
2) The Company has during the year ended March 31, 2023, subscribed to right issue of its subsidiary, 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).
3) The Company had call option to purchase from the holders of the instrument and the holders of the instruments had put option on the Company for 1,53,00,000 cumulative non-participative compulsory convertible preference shares (Face Value: Rs 100) issued by Tata Motors Finance limited (subsidiary company) which the Company exercised during the year ended March 31, 2022.
4) Measured at cost based on Ind AS 27 - Separate Financial Statements.

11 Investment Property

(₹ 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	Deletions	Balance as at March 31, 2023	Balance as at 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**

(₹ in lakhs)

	Particulars	Gross block				Accumulated depreciation				Net block
		Balance as at April 1, 2021	Additions	Deletions	Balance as at March 31, 2022	Balance as at April 1, 2021	Depreciation	Deletions	Balance as at March 31, 2022	Balance as at March 31, 2022
(a)	Office premises	39,80.77	-	17,34.31	22,46.46	5,78.18	49.29	2,24.87	4,02.60	18,43.86
		39,80.77	**-**	**17,34.31**	**22,46.46**	**5,78.18**	**49.29**	**2,24.87**	**4,02.60**	**18,43.86**

There was no addition which either resulted from subsequent expenditure recognised as assets or acquisition through business combination during the year ended March 31, 2023 and March 31, 2022.

11A INCOME AND EXPENDITURE OF INVESTMENT PROPERTY

(₹ in lakhs)

	Particulars	As at March 31 2023	As at March 31 2022
(a)	Rental income derived from investment property	4,54.08	6,43.17
(b)	Direct operating expenses (including repaid and maintenance) arising from investment property that generated rental income	48.36	69.77
(c)	Depreciation	35.53	49.29

11C The fair value of the investment property amounted to ₹ 43,24.5 lakhs (At March 31, 2022: ₹ 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.

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

11E There was no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements of investment property at March 31, 2023 and at March 31, 2022.

(₹ in lakhs)

12 Property, plant and equipment

	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	Deletions	Balance as at March 31, 2023	Balance as at March 31, 2023
(a)	Furniture and fixtures	5,04.11	-	6.62	4,97.49	4,74.65	3.29	6.30	4,71.64	25.85
(b)	Vehicles - given on operating lease	52.14	-	-	52.14	49.45	-	-	49.45	2.69
(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**

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 April 1, 2021	Additions	Deletions	Balance as at March 31, 2022	Balance as at April 1, 2021	Depreciation	Deletions	Balance as at March 31, 2022	Balance as at March 31, 2022
(a)	Furniture and fixtures	11,81.13	-	6,77.02	5,04.11	10,93.99	24.12	6,43.47	4,74.65	29.43
(b)	Vehicles - given on operating lease	1,23.46	-	71.32	52.14	1,17.13	0.16	67.84	49.45	2.69
(c)	Office equipments	3,49.82	-	9.81	3,40.01	3,24.84	6.55	9.31	3,22.08	17.92
	Total	**16,54.41**	**-**	**7,58.16**	**8,96.26**	**15,35.96**	**30.84**	**7,20.61**	**8,46.18**	**50.04**

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

13 Other non-financial assets

(₹ in lakhs)

	Particulars	As at March 31 2023	As at March 31 2022
(a)	Deposits with statutory authorities	4.20	4.20
(b)	Prepaid expenses	9.31	9.31
(c)	Taxes recoverable and dues from government	47.93	13.19
(d)	Others	3.83	7.34
	Total	**65.27**	**34.04**

14 Payables

(₹ in lakhs)

	Particulars	As at March 31 2023	As at March 31 2022
(a)	**Trade Payables**		
	(i) Total outstanding dues of micro enterprises and small enterprises	0.07	0.04
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	67.31	94.36
	Total	**67.38**	**94.40**
(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	6.30
	Total	**10.75**	**6.30**

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, 2023 as follows :

(₹ in lakhs)

Particulars	As at March 31 2023	As at March 31 2022
a) Principal amount due	0.07	0.04
b) Interest due on above	-	-
c) Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) Amount of interest due and payable for the period of delay	-	-
e) Amount of interest accrued and remaining unpaid as at year end	-	-
f) Amount of further remaining due and payable in the succeeding year	-	-
Total	0.07	0.04

Trade Payables aging schedule

(₹ 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	-	-	-	-	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.

(₹ in lakhs)

As at March 31, 2022

Particulars	Not Due	Unbilled	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	0.03	0.01	-	-	-	0.04
(ii) Others	-	75.13	19.23	-	-	-	94.36
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**-**	**75.16**	**19.24**	**-**	**-**	**-**	**94.40**

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 the standalone financial statements for the Year ended March 31, 2023

15 Debt securities

(₹ in lakhs)

	Particulars	As at March 31 2023	As at March 31 2022
(a)	Privately placed non-convertible debentures		
	(i) Unsecured	2441,89.40	2442,75.48
(b)	Commercial Paper		
	(i) Unsecured	1244,54.26	-
	(net of unamortised borrowing cost including discounting charges of Rs.62,45.74 lakhs, Nil for March 31, 2022)		
	Total (A)	**3686,43.66**	**2442,75.48**
	(i) Debt securities in India	3686,43.66	2442,75.48
	(ii) Debt securities outside India	-	-
	Total (B)	**3686,43.66**	**2442,75.48**

Details of Non Cumulative Debentures (Unsecured)

(₹ in lakhs)

	As at March 31, 2023		As at March 31, 2022	
From Balance sheet Date	**Interest Rate Range**	**Amount**	**Interest Rate Range**	**Amount**
Issued on private placement basis				
Maturing within 1 Year	-	-	11.00%	717,80.10
Maturing between 1 year to 3 Years	9.05% to 7.02%	1916,52.89	7.70% to 6.08%	1527,20.75
Maturing between 3 Years to 5 Years	8.53%	831,32.94	7.69%	389,32.14
Total Face Value		**2747,85.83**		**2634,32.99**
Less: Unamortised borrowing cost		305,96.43		191,57.51
Total Amortised cost		**2441,89.40**		**2442,75.48**

Details of Commercial Papers (Unsecured)

(₹ in lakhs)

From Balance sheet Date	As at 31 Mar 2023		As at 31 Mar 2022	
	Interest Rate Range	**Amount**	**Interest Rate Range**	**Amount**
Maturing within 1 Year	8.65% to 7.30%	1307,00.00	-	-
Total Face Value	-	**1307,00.00**	-	-
Less: Unamortised borrowing cost	-	62,45.74	-	-
Total Amortised cost	-	**1244,54.26**	-	-

16 Borrowings - Other than debt securities

(₹ in lakhs)

	Particulars	As at March 31 2023	As at March 31 2022
(a)	Inter Corporate Deposits from related parties (unsecured)	45,00.00	-
(b)	Liability component of compound financial instruments	-	12,76.54
	Total (A)	**45,00.00**	**12,76.54**
(i)	Borrowings in India	45,00.00	12,76.54
(ii)	Borrowings outside India	-	-
	Total (B)	**45,00.00**	**12,76.54**

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 31 Mar 2023		As at 31 Mar 2022	
	Interest Rate Range	**Amount**	**Interest Rate Range**	**Amount**
Maturing within 1 Year	8.39%	45,00.00	-	-
Total		**45,00.00**		**-**
Less: Unamortised borrowing cost		-		-
Total Amortised cost		**45,00.00**		**-**

17 Other financials liabilities

(₹ in lakhs)

Particulars	As at March 31 2023	As at March 31 2022
(a) Interest accrued on borrowings	21,19.68	15,82.22
(b) Accrual for Compulsorily Convertible Preference Shares	26,04.00	-
(c) Unpaid dividend	0.23	-
Total	**47,23.91**	**15,82.22**

18 Provisions

(₹ in lakhs)

Particulars	As at March 31 2023	As at March 31 2022
(a) Provision for expenses	15.33	44.23
Total	**15.33**	**44.23**

19 Other non-financial liabilities

(₹ in lakhs)

Particulars	As at March 31 2023	As at March 31 2022
(a) Statutory dues	36.80	26.96
(b) Others	-	37.27
Total	**36.80**	**64.23**

20 Equity Share Capital

(₹ in lakhs)

Particulars	As at March 31 2023		As at March 31 2022	
	No. of shares	₹	No. of shares	₹
Authorised				
Equity Shares of Rs.10 each with voting rights	25000000,00.00	2500,00.00	25000000,00.00	2500,00.00
	25000000,00.00	**2500,00.00**	**25000000,00.00**	**2500,00.00**
Issued, Subscribed and Fully Paid up				
Equity shares of Rs. 10 each	17415934,42.00	1741,59.34	16482834,42.00	1648,28.34
Total	**17415934,42.00**	**1741,59.34**	**16482834,42.00**	**1648,28.34**

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 2023		As at March 31 2022	
	No. of shares	₹	No. of shares	₹
Shares outstanding at the beginning of the year	16482834,42.00	1648,28.34	16482834,42.00	1648,28.34
Equity Shares Issued on conversion of CCPS during the year (Refer Note 1 below)	933100,00.00	93,31.00	-	-
Shares outstanding at the end of the year	**17415934,42.00**	**1741,59.34**	**16482834,42.00**	**1648,28.34**

Note 1:- During the financial year 2022-23, the Company has converted the outstanding Compulsorily Convertible Preference Share (CCPS) at pre-determined conversion ratio. On conversion of CCPS, the 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.

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

(₹ in lakhs)

Particulars	As at March 31 2023		As at March 31 2022	
	No. of shares	% of Issued Share Capital	No. of shares	% of Issued Share Capital
Equity shares with voting rights				
Tata Motors Limited	17415934,42.00	100	16482834,42.00	100

c) Details of shares held by Promoters:

Promoter name	As at March 31 2023			As at March 31 2022		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Tata Motors Limited	17415934,42.00	100%	NIL	16482834,42.00	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 31st, 2023.

(₹ in lakhs)

20A Instruments entirely equity in nature	As at March 31 2023		As at March 31 2022	
	Number	₹	Number	₹
Balance as at beginning of the year	18,000	1800,00.00	13,500	1350,00.00
Increase during the year	-	-	4,500	450,00.00
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 25,000 lakhs on September 30, 2027, Rs 200,00 lakhs on June 30, 2027, Rs 195,00 lakhs on August 11, 2024,Rs 305,00 lakhs on August 18, 2024, Rs 100,00 lakhs on November 04, 2025, Rs 100,00 lakhs November 27, 2025, Rs 150,00 lakhs on December 02, 2025, Rs 150,00 lakhs on December 30, 2025, Rs 150,00 lakhs on September 30, 2026,Rs 100,00 lakhs on September 15, 2026 and Rs 100,00 lakhs on September 28, 2026.

20B Equity Component of Compound Financial Instrument

(₹ in lakhs)

Particulars	As at March 31 2023		As at March 31 2022	
	No. of shares	₹	No. of shares	₹
Authorised				
Preference shares of Rs.100 each	750000,00.00	750,00.00	750000,00.00	750,00.00
	750000,00.00	**750,00.00**	**750000,00.00**	**750,00.00**
Issued, Subscribed and Fully Paid up				
Equity portion of cumulative, non-participating Compulsorily convertible preference share (CCPS) of Rs. 100 each	-	-	434000,00.00	370,72.59
Total	**-**	**-**	**434000,00.00**	**370,72.59**

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

(₹ in lakhs)

Particulars	As at March 31 2023		As at March 31 2022	
	No. of shares	₹	No. of shares	₹
Shares outstanding at the beginning of the year	434000,00.00	370,72.59	434000,00.00	370,72.59
Add: Shares issued during the year	-	-	-	-
Less: Shares converted during the year into equity (Refer point (c) below)	(434000,00.00)	(370,72.59)	-	-
Shares outstanding at the end of the year	**-**	**-**	**434000,00.00**	**370,72.59**

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

(₹ in lakhs)

Particulars	As at March 31 2023		As at March 31 2022	
	No. of shares	% of holding	No. of shares	% of holding
Tata Motors Limited	-	-	434000,00.00	1,00.00

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 finanance year ended March 31, 2023, the Company has converted the outstanding Compulsorily convertible preference share (CCPS) at pre-determined conversion ratio. On conversion of CCPS, the 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.

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 rate 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.

21 Interest Income

(₹ in lakhs)

	Particulars	For the year ended March 31 2023	For the year ended March 31 2022
	On Financial Assets measured at Amortised Cost		
(a)	Interest on Loans	35,35.43	-
(b)	Interest income from investments	58,14.95	62,31.25
(c)	Interest on deposits with Banks	8,34.84	7,54.25
(d)	Other interest Income	25,04.95	46,46.57
	Total	**126,90.17**	**116,32.07**

22 Net gain on fair value changes

(₹ in lakhs)

	Particulars	For the year ended March 31 2023	For the year ended March 31 2022
(a)	Net gain on fair value changes	8,05.96	17,67.90
		8,05.96	**17,67.90**
	Fair Value changes:		
(i)	Realised	8,00.95	17,67.90
(ii)	Unrealised	5.01	-
	Total	**8,05.96**	**17,67.90**

23 Other Income

(₹ in lakhs)

	Particulars	For the year ended March 31 2023	For the year ended March 31 2022
(a)	Support services income	58,95.00	69,32.81
(b)	Balances written back	12.57	4.91
(c)	Net gain on derecognition of property, plant and equipment	-	19,94.79
	Total	**59,07.57**	**89,32.51**

24 Finance Costs

(₹ in lakhs)

	Particulars	For the year ended March 31 2023	For the year ended March 31 2022
(a)	Interest on Borrowings	17,88.46	11,29.71
(b)	Interest on Debt Securities	233,85.61	245,06.82
(c)	Other Finance Charges	1.41	2.46
	Total	**251,75.48**	**256,38.99**

25 Impairment on financial instruments and other assets

(₹ in lakhs)

	Particulars	For the year ended March 31 2023	For the year ended March 31 2022
(a)	Impairment on financial assets		
	Loans (at amortised cost)		
	- Allowance for loan losses	4,52.87	-
(b)	Impairment on other financial assets		
	- Allowance for doubtful assets	9.37	-
	Total	**4,62.24**	**-**

26 Employee Benefits Expenses

(₹ in lakhs)

	Particulars	For the year ended March 31 2023	For the year ended March 31 2022
(a)	Salaries	-	9.42
	Total	-	**9.42**

27 Other expenses

(₹ in lakhs)

	Particulars	For the year ended March 31 2023	For the year ended March 31 2022
(a)	Rent, taxes and energy costs	26.62	24.30
(b)	Repairs and maintenance	27.55	45.50
(c)	Director's fees, allowances and expenses	44.70	47.80
(d)	Auditor's fees and expenses (Refer note (i) below)	29.91	32.89
(e)	Legal and Professional charges	1,47.39	97.71
(f)	Insurance	9.38	6.14
(g)	Service Provider Fees	1,10.65	1,02.36
(h)	Cenvat Credit Reversal	35.90	38.29
(i)	Advertisement and publicity	0.86	0.65
(j)	Printing and stationery	0.04	0.07
(k)	Net loss on derecognition of property, plant and equipment	0.31	-
(l)	Others	13.38	44.26
	Total	**4,46.69**	**4,39.97**

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

(₹ in lakhs)

	Particulars	For the year ended March 31 2023	For the year ended March 31 2022
(a)	As auditors - Statutory audit	15.65	24.12
(b)	As auditors - Tax audit	0.90	0.69
(c)	For other services	12.25	7.35
(d)	Reimbursement of out of pocket expenses	1.11	0.73
	Total	**29.91**	**32.89**

***For year ended March 2022 , Includes Auditors' remuneration of Rs.19.09 lakhs paid to erstwhile auditor.**

(ii) Corporate social responsibility

The prescribed CSR expenditure required to be spent in the year 2022-23 as per the Companies Act, 2013 is Nil (Nil for 2021-22), 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 43.

28 Income taxes

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

(₹ in lakhs)

Particulars	Year ended March 31 2023	Year ended March 31 2022
Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	-	-
Deferred tax		
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 2023	Year ended March 31 2022
Profit before taxes	(62,28.56)	53,60.97
Statutory tax rate	25.168%	25.168%
Income tax expenses calculated at statutory tax rate	**(15,67.60)**	**13,49.25**
Tax effect of the amount which are not taxable in calculating taxable income :		
- Effect of expenses not deductible for tax computation	3,34.09	2,97.02
- Deferred tax assets not recognised because realization is not probable	12,33.51	21,12.55
- Others	-	(37,58.82)
Income tax expense/(credit) recognised for the year at effective tax rate	**-**	**-**

c) Deferred tax assets/liabilities (net)

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, 2023, unrecognised deferred tax assets amounted to Rs. 965.41 lakhs (As at March 31, 2022 - Rs. 923.07 lakhs) which can be carried forward indefinitely and Rs. 18,801.12 lakhs (As at March 31, 2022 - Rs. 141,67.63 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
Thereafter	-
Total	**188,01.12**

29 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.

(₹ in lakhs, except per share data)

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Basic		
Weighted average no. of equity shares outstanding	1,741,593,442.00	1,741,593,442.00
Net profit / (loss) attributable to equity share holders (Refer Note i)	(205,64.08)	(56,89.93)
Basic earnings per share (Rs.)	**(1.18)**	**(0.33)**
Diluted		
Weighted average no. of equity shares outstanding	1,741,593,442.00	1,741,593,442.00
Net profit / (loss) attributable to equity share holders (Refer Note i)	(205,64.08)	(56,89.93)
Diluted earnings per share (Rs.)	**(1.18)**	**(0.33)**
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	(62,28.56)	53,60.97
Less - Distribution made to holders of perpetual instruments	(143,35.52)	(110,50.90)
Net profit / (loss) attributable to equity share holders	**(205,64.08)**	**(56,89.93)**

30 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.

31 Disclosure in respect of Operating leases

a Company as lessee- Operating Leases

There are no lease rental expenses for the year ended March 31, 2023 and March 31, 2022.

b Company as lessor- Operating Leases

i) The Company has given vehicles and office premises under operating lease.

The Company has recognised lease rental income from leasing of these assets amounting to Rs.4,54.08 lakhs (Previous year: Rs. 6,43.17 lakhs) in the Statement of Profit and Loss.

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

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

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Within 1 year	-	-
1-2 years	-	-
2-3 years	-	-
3-4 years	-	-
4-5 years	-	-
Above 5 years	-	-
Total	**-**	**-**

32 Contingent liabilities and commitments"

Contingent liabilities to the extent not provided for:

Claims against the company not acknowledged as debts:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
In respect of income tax matters	-	-
Total	**-**	**-**

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

a. Commitments : As at March 31, 2023, the company does not have any commitments. (As at March 31, 2022 : Nil)

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, 2023		For the Year ended March 31, 2022	
	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	1132,18.71	100%	-	-

35 Capital Work in Progress & Intangible Assets under Development

Capital Work in Progress & Intangible Assets under Development amounted to Nil at March 31, 2023 and Nil at March 31, 2022.

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, 2023 and as at March 31, 2022

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

As at March 31, 2023 borrowings from banks or financial institutions on the basis of security of current assets is Nil (March 31, 2022: 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 financial year 2022-2023 and financial year 2021-2022, 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, 2023 and at March 31, 2022

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.

43 Employee benefit obligations

a) Defined contribution plans
Superannuation Fund:

The Company does not have any defined contribution plan.

b) Defined benefit plans
Gratuity:

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

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

(₹ in Lakhs)

1 Changes in defined benefit obligations	As at March 31	
	2023	2022
Defined benefit obligation, beginning of the year	-	1,59.32
Current service cost	-	-
Interest cost		
Remeasurement (gains) / losses		
Actuarial (gain) /losses arising from change in financial assumptions	-	-
Actuarial (gain) /losses arising from change in demographic assumptions	-	-
Actuarial (gain) /losses arising from change in experience adjustments		
Past service cost	-	-
Transfer in/(out) of liability	-	-
Benefits paid from plan assets	-	(1,59.32)
Benefits paid directly by the employer	-	-
Defined benefit obligation	**-**	**-**

(₹ in Lakhs)

2 Changes in plan assets	As at March 31	
	2023	2022
Fair value of plan assets, beginning of the year	-	1,62.59
Interest cost	-	-
Remeasurement (gains) / losses	-	-
Return on plan assets, (excluding amount included in net Interest expense)	-	(3.27)
Transfer in/(out) of assets	-	-
Employer's contribution	-	-
Benefits paid	-	(1,59.32)
Fair value of plan assets	**-**	**-**

(₹ in Lakhs)

3 Amount recognised in balance sheet consist off	As at March 31	
	2023	2022
Present value of defined benefit obligation	-	-
Fair value of plan assets	-	-
Net Assets / (Liability)	**-**	**-**

(₹ in Lakhs)

4 Amount recognised in the Statement of Profit and Loss:	As at March 31	
	2023	2022
Current Service Cost	-	-
Interest on Defined Benefit Obligations (Net)	-	-
Net Charge to the Statement of Profit and Loss	**-**	**-**

(₹ in Lakhs)

		As at March 31 2023	As at March 31 2022
5	**Amount recognised in Other Comprehensive Income(OCI) for the Year**		
	Remeasurement of the net defined benefit liability:		
	Return on plan assets excluding amounts included in interest expense/income	-	3.27
	Actuarial gains/(losses) arising from changes in demographic assumptions	-	-
	Actuarial gains/(losses) arising from changes in financial assumptions	-	-
	Actuarial gains/(losses) arising from changes in experience adjustments on plan liabilities	-	-
	Impact on the other comprehensive income / (loss)	**-**	**3.27**

(₹ in Lakhs)

		As at March 31 2023	As at March 31 2022
6	**The fair value of Company's Gratuity plan asset by category**		
	Asset Category		
	Insurer managed funds		
	- Insurer Managed Funds (unquoted)	NA	100%
	Total	**NA**	**100%**

		As at March 31 2023	As at March 31 2022
7	**The assumptions used in accounting for the gratuity plans are set out below:**		
	Discount rate	NIL	7.10%
	Expected return on plan assets	NIL	7.10%
	Salary Escalation rate	NIL	8% for first 7.00% year, 7% thereafter
	Mortality Tables	NIL	Indian Assured Lives mortality (2006-08) Ult

(i) 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.

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

(₹ in Lakhs)

		As at March 31 2023	As at March 31 2022
8	**The maturity profile of defined benefit obligation are set out below**		
	Within next 12 months (next annual reporting period)	-	-
	Between 1 and 5 years	-	-
	Between 5 and 9 years	-	-
	10 years and above	-	-

(₹ in Lakhs)

		As at March 31 2023	As at March 31 2022
9	**Quantitative sensitivity analysis for significant assumptions:**		
	100 bps increase in discount rate	-	-
	100 bps decrease in discount rate	-	-
	100 bps increase in salary escalation rate	-	-
	100 bps decrease in salary escalation rate	-	-

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

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

		As at March 31 2023	As at March 31 2022
10	**Weighted Average Duration of Defined Benefit obligation:**		
	The weighted average duration of the defined benefit obligation	NIL	NIL

(₹ in Lakhs)

		As at March 31 2023
11	**The best estimate of the expected Contribution for the next year:**	
	The Company expected contribution to the funded gratuity plans in FY 2023-24	-

12 Risk Exposure

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

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

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

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

44 Related party disclosures

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

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

II. Subsidiaries
Tata Motors Finance Limited
Tata Motors Finance Solutions Limited

III. Joint ventures
Loginomic Tech Solutions Private limited

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

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

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

(V) Key Management personnel :
Mr. Shyam Mani - Non-Executive Director
Mr. Samrat Gupta - Non-Executive Director
Mr. Nasser Munjee, Independent Director and Chairman
Mr. P. S. Jayakumar, Independent Director
Mr. P. B. Balaji - Non-Executive Director
Mrs. Varsha Purandare- Independent Director
Mr. Dhiman Gupta - Non Executive Director (from May 30, 2022)
Ms. Ridhi Gangar - Chief Financial Officer
Mr. Vinay Lavannis - Company Secretary
Mr. Anand Bang, Manager (From May 24, 2022)

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

(₹ in Lakhs)

Particulars	Holding Company	Subsidiaries		Joint Venture	Other Related Parties	Total
		Tata Motors Finance Limited	Tata Motors Finance Solutions Limited			
a) Transactions during the year						
Rent Income	-	3,67.08	87.00	-	-	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	110.65		-	-	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	-	218.61	2,42.39		-	4,61.00
Investments made in equity share of subsidiary	-	700,36.45		-	-	700,36.45
Loans and advances taken / availed	-	355,00.00	300,00.00	-	-	655,00.00
Loans and advances repaid	-	355,00.00	255,00.00	-	-	610,00.00
Total	**21.37**	**5000,89.65**	**55,829.39**	**-**	**6917,96.26**	**12477,36.67**

(₹ in Lakhs)

b) Closing Balance						
Amount receivable others	-	-		-	-	-
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 other financial liabilities	-	-				-
Amount payable in respect of Inter company deposit			4,500.00			4,500.00
Amount receivable in respect of Inter company deposit	-	300,00.00		-	-	30,000.00
Amount receivable in respect of channel finance	-			-	831,54.61	831,54.61
Amount receivable in respect of interest accrued on channel finance					64.11	64.11
Amount payable others	20.38	10.75	-	-	6.85	37.97

Notes:
(i) Includes amount cross charged by subsidiaries for support services and remuneration to Key Managerial Remuneration.
(ii) Provision for doubtful debts based on expected credit losses was recognised on the receivables owed by related parties.
(iii) Corporate guarantee given for Subsidiaries at March 31, 2023 - Rs. NIL (March 31, 2022 - Rs. 59,00 lakhs).
(iv) During the year ended March 31, 2023, Tata Motors Finance Limited (TMFL), 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 TMFL against 723,00,000 CCPS of Rs. 100 each.
(v) During the financial year 2022-23, the Company has converted the outstanding Compulsorily convertible preference share (CCPS) at pre-determined conversion ratio. On conversion of CCPS, the 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.

(vi) The Company has during the year ended March 31, 2023, subscribed to right issue of its subsidiary, 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).

		Holding Company	Subsidiaries		Joint Venture	Other Related Parties	Total
			Tata Motors Finance Limited	Tata Motors Finance Solutions			
	Maximum outstanding during the year						
(i)	Amount receivable in respect of channel finance	-	-	-	-	970,79.52	970,79.52
(ii)	Amount receivable in respect of Inter company deposit	-	800,00.00	-	-	-	800,00.00
(iii)	Amount payable in respect of Inter company deposit	-	300,00.00	300,00.00	-	-	600,00.00
(iv)	Amount receivable in respect of debenture	-	600,00.00	-	-	-	600,00.00
(v)	Amount receivable in respect of interest accrued on channel finance	-	-	-	-	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	56.04
	Intra Group Exposure						
	Total amount of Intra - Group exposures	-	6213,96.61	1701,16.95	8,35.00	832,18.71	
	Total amount of top 20 Intra - Group exposures	-	6213,96.61	1701,16.95	8,35.00	832,18.71	
	% of Intra group exposures to total exposures of the NBFC on borrowers/customers	-	100%	100%	100%	100%	

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

(₹ in Lakhs)

Particulars	Holding Company	Subsidiaries		Joint Venture	Other Related Parties	Total
		Tata Motors Finance Limited	Tata Motors Finance Solutions Limited			
a) Transactions during the year						
Dividend income		84,94.84				84,94.84
Rent Income		5,55.84	87.00		0.38	6,43.22
Other fees and service charges & Other income		59.00			1,32.81	1,91.81
Amount received towards reimbursement of expenses						-
Interest income on loans and investments		85,85.63	22,92.19			108,77.82
Expenses for support services (incl. reimbursement of expenses) (Refer note (i))	14.07					14.07
Dividend paid	13,02.00					13,02.00
Interest Expenses		1.85				1.85
Other Expenses		1,02.36			62.89	1,65.25
Loans and advances given		2275,00.00	1485,00.00			3760,00.00
Loans and advances recovered		2275,00.00	1485,00.00			3760,00.00
Loans and advances taken / availed		5,00.00				5,00.00
Loans and advances repaid		5,00.00				5,00.00
Total	**13,16.07**	**4737,99.52**	**2993,79.19**	**-**	**1,96.08**	**7746,90.86**

(₹ in Lakhs)

b) Closing Balance						
Amount receivable others		8.82	1.41	-		10.23
Investment in optionally convertible debentures (Refer Note ii)				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		30,99.96				30,99.96
Amount receivable in respect of debenture		600,00.00				600,00.00
Amount payable in respect of other financial liabilities		36.96				36.96
Amount payable others	17.17	7.20			36.42	60.79

Notes:

(i) Includes amount cross charged by subsidiaries for support services and remuneration to Key Managerial Remuneration.
(ii) Provision for doubtful debts based on expected credit losses was recognised on the receivables owed by related parties amounting to Rs 8,35.00 lakhs.
(iii) Corporate guarantee for Subsidiaries at March 31, 2023 - Nil (March 31, 2022 - Rs. 5900 lakhs).

		Holding Company	Subsidiaries		Joint Venture	Other Related Parties	Total
			Tata Motors Finance Limited	Tata Motors Finance Solutions Limited			
	Maximum outstanding during the year						
(i)	Amount receivable in respect of channel finance					970,79.52	970,79.52
(ii)	Amount receivable in respect of Inter company deposit		975,00.00	785,00.00			1760,00.00
(iii)	Amount payable in respect of Inter company deposit		5,00.00	-			5,00.00
(iv)	Amount receivable in respect of debenture		600,00.00				600,00.00
(v)	Amount receivable in respect of interest accrued on channel finance					4,26.69	4,26.69
(vi)	Amount receivable in respect of interest accrued on deposit & investments		42,76.19				42,76.19
(vii)	Amount payable others	29.62	16.74			45.31	62.05
(viii)	Amount payabe in respect of other financial liablities		56.63				56.63
(viii)	Amount receivable others		1,31.32	17.11			1,48.43
	Intra Group Exposure						
	Total amount of Intra - Group exposures		5513,60.16	1701,16.95	8,35.00	-	
	Total amount of top 20 Intra - Group exposures		5513,60.16	1701,16.95	8,35.00	-	
	% of Intra group exposures to total exposures of the NBFC on borrowers/customers		100%	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 2023	For the year ended March 31 2022
Short term employee benefits (Refer note below)	44.70	7,71.34

Note:

(i) Expenses towards provision for gratuity and leave encashment which are determined on actuarial basis at an overall Company level are not included in the above information & there are no employees as on March 31, 2023.

(ii) Includes sitting fees paid to non-executive directors is Rs. 44.70 lakhs and Rs. 47.80 lakhs for the year ended March 31, 2023 and March 31, 2022 respectively.

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

(Rs in lakhs)

Particulars	As at April 01, 2022	Cash Flows (net)	Exchange Difference	Amortisation of loan origination costs	As at March 31, 2023
Debt Securities	2442,75.49	124,232.42	-	135.75	3686,43.66
Borrowings (other than Debt securities)	12,76.54	4,500.00	-	(1,276.54)	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. 857.16 lakhs and premium charges paid of Rs. 19,280.10 lakhs respectively on the repayment date is shown in the finance cost in cash flow statements

(Rs in lakhs)

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

Note: Debt securities includes commercial papers and zero coupon bonds for which the discounting charges paid is Rs. 29,31.21 lakhs and premium charges paid of Rs. 299,02.50 lakhs respectively on the repayment date is shown in the finance cost in cash flow statements

46 Fair value measurements
Financial Instruments by categories

(₹ in Lakhs)

	Particulars	As at March 31 2023 FVTPL	As at March 31 2023 Amortised cost	As at March 31 2022 FVTPL	As at March 31 2022 Amortised cost
	Financial Assets:				
(a)	Investments				
	- Mutual funds	96,04.53	-	-	-
	- Debt securities	-	600,00.00	-	600,00.00
(b)	Loans	-	1127,65.84	-	-
(c)	Cash and cash equivalents	-	37,08.79	-	878,50.45
(d)	Other bank balances	-	100,00.00	-	100,00.00
(e)	Trade Receivables and Other receivables	-	1,53.00	-	10.24
(f)	Other financial assets	-	34,78.90	-	34,77.93
	Total	**96,04.53**	**1901,06.53**	**-**	**1613,38.62**
	Financial liabilities:				
(a)	Borrowings	-	45,00.00	-	12,76.54
(b)	Debt securities	-	3686,43.66	-	2442,75.48
(c)	Trade payables	-	67.38	-	96.26
(d)	Other payables	-	10.75	-	6.61
(e)	Other financial liabilities	-	47,23.91	-	16,19.18
	Total	**-**	**3779,45.70**	**-**	**2472,74.07**

Fair value hierarchy

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

(₹ in Lakhs)

	Particulars	Carrying value	Fair value	As at March 31,2023 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**

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

(₹ in Lakhs)

	Particulars	Carrying value	Fair value	As at March 31, 2023 Level 1	Level 2	Level 3	Total
	Financial assets measured at fair value through profit & loss						
(a)	Investments						
	- Mutual funds	9,604.53	96,04.53	96,04.53	-	-	96,04.53
	Total	**9,604.53**	**96,04.53**	**96,04.53**	**-**	**-**	**96,04.53**

	Particulars	Carrying value	Fair value	As at March 31, 2023 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	-	-	1127,65.84	1127,65.84
	Total	**1127,65.84**	**1127,65.84**	**-**	**-**	**1127,65.84**	**1127,65.84**

(₹ in Lakhs)

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

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, 2023 and March 31, 2022

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.

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

48 **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 2023			As at March 31 2022		
	Current	Non current	Total	Current	Non current	Total
ASSETS						
Financial assets						
Cash and cash equivalents	37,08.79	-	37,08.79	878,50.45		878,50.45
Bank Balance other than cash and cash equivalents	100,00.00	-	100,00.00	100,00.00	-	100,00.00
Receivables	-	-	-	-	-	
Trade receivables	-	-	-	-	-	-
Other receivables	1,53.00	-	1,53.00	10.24	-	10.24
Loans	1127,65.84	-	1127,65.84	-	-	-
Investments	96,04.53	7915,13.56	8011,18.09	-	7214,77.11	7214,77.11
Other financial assets	34,43.22	35.68	34,78.90	34,32.96	44.97	34,77.93
Non-financial assets		-	-		-	-
Current tax assets (net)	-	76,33.03	76,33.03	-	59,43.92	59,43.92
Investment Property	-	18,08.33	18,08.33		18,43.86	18,43.86
Property, plant and equipment	-	46.40	46.40	-	50.04	50.04
Other non-financial assets	61.07	4.20	65.27	29.84	4.20	34.04
Total assets	**1397,36.45**	**8010,41.20**	**9407,77.65**	**1013,23.49**	**7293,64.10**	**8306,87.59**
LIABILITIES AND EQUITY						
Financial liabilities						
Payables	-	-				
Trade payables		-				
total outstanding dues of micro enterprises and small enterprises	0.07	-	0.07	0.04		0.04
total outstanding dues of creditors other than micro enterprises and small enterprises	67.31	-	67.31	94.36		94.36
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	6.30		6.30
Debt securities	1244,54.26	2441,89.40	3686,43.66	672,74.85	1770,00.63	2442,75.48
Borrowings (Other than debt securities)	45,00.00	-	45,00.00	-	12,76.54	12,76.54
Other financials liabilities	21,19.91	26,04.00	47,23.91	15,82.22	-	15,82.22
Non-financial liabilities		-	-			-
Current tax liabilities (net)	2,33.07	-	2,33.07	2,33.36	-	2,33.36
Provisions	15.33	-	15.33	44.23	-	44.23
Other non-financial liabilities	36.80	-	36.80	64.23	-	64.23
Total liabilities	**1314,37.50**	**2467,93.40**	**3782,30.90**	**692,99.59**	**1782,77.17**	**2475,76.76**
Net	**82,98.95**	**5542,47.80**	**5625,46.75**	**320,23.90**	**5510,86.93**	**5831,10.83**

49 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, 2023, 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. 832,18.70 lacs as of March 31, 2023 (March 31, 2022 - Rs. Nil)

Credit risk for loans is managed by the Company through credit approvals, establishing credit limits and periodic monitoring of the creditworthiness of its customers to which the Company grants credit terms in the normal course of business. Loans are 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, 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 & 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**

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

(₹ in Lakhs)

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

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 2023	As at March 31 2022
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, 2023 and March 31, 2022 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 14 and 15 to the financial statements.

Below are the key regulatory capital ratios at the year end dates **(₹ in Lakhs)**

Particulars	As at March 31 2023	As at March 31 2022
CRAR (%)	41.69%	55.24%
CRAR - Tier I capital (%)	41.69%	55.24%
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	-	450,00.00
Liquidity Coverage Ratio	NA	NA

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

50 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, 2023	As at March 31, 2022
1	Investments & loans to group companies as a proportion of Net Assets (%)	99.27%	99.10%
2	Investments in equity shares and compulsorily convertible instruments of group companies as a proportion of Net Assets (%)	80.30%	90.86%
3	Capital Adequacy Ratio (%) [Adjusted Net Worth / Risk Weighted Assets]	41.69%	55.24%
4	Leverage Ratio (times) [Outside liabilities / Adjusted Net worth]	1.46	1.05

(B) Asset Liability Maturity Pattern of certain items of assets and liabilities **(₹ in Lakhs)**

	Particulars	Period	1 to 7 days	8 to 14 days	15 days to 30 / 31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 month & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
1	Deposits	March 31, 2023	34,00.00	-	-	50,00.00	-	-	50,00.00	-	-	-	134,00.00
		March 31, 2022	875,00.00	-	50,00.00	-	-	-	50,00.00	-	-	-	975,00.00
2	Advances	March 31, 2023	113,83.53	107,89.50	320,90.41	288,91.17	-	-	300,00.00	-	-	-	1131,54.61
		March 31, 2022	-	-	-	-	-	-	-	-	-	-	-
3	Investments	March 31, 2023	96,05.00	-	-	-	-	-	-	-	200,00.00	7715,13.09	8011,18.09
		March 31, 2022	-	-	-	-	-	-	-	-	-	7214,77.11	7214,77.11
4	Borrowings	March 31, 2023	-	-	-	395,17.00	-	121,51.00	772,86.00	1813,16.66	628,73.00	-	3731,43.66
		March 31, 2022	-	-	-	-	12,77.00	-	672,75.00	1469,69.88	300,30.47	-	2455,52.35

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

(₹ in lakhs)

	Particulars	As at March 31 2023	As at March 31 2022
1	ANW as a % of Risk Weighted Assets	41.69%	55.24%
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	1.46	1.05

(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

(₹ in lakhs)

	Particulars	As at March 31 2023	As at March 31 2022
1	Off balance sheet exposure	-	59,00.00
2	Financial Guarantee as a % of total off-balance sheet exposure	0%	100%
3	Non-Financial Guarantee as a% of total off-balance sheet exposure	Nil	Nil
4	Off balance sheet exposure to overseas subsidiaries	Not Applicable	Not Applicable
5	Letter of Comfort issued to any subsidiary	Nil	Nil

(F) Investments

(₹ in lakhs)

		Particulars	As at March 31 2023	As at March 31 2022
1		Value of Investments		
	(i)	Gross Value of Investments		
		a) In India	8022,18.96	7225,77.98
		b) Outside India	-	-
	(ii)	Provisions for Depreciation		
		a) In India	11,00.87	11,00.87
		b) Outside India	-	-
	(iii)	Net Value of Investments		
		a) In India	8011,18.09	7214,77.11
		b) Outside India	-	-
2		Movement of provisions held towards depreciation on investments.		
	(i)	Opening balance	11,00.87	11,00.87
	(ii)	Add : Provisions made during the year	-	-
	(iii)	Less : Write-off / write-back of excess provisions during the year	-	-
	(iv)	Closing balance	11,00.87	11,00.87

(G) Business Ratios

	Particulars	As at March 31 2023	As at March 31 2022
1	Return on Equity (RoE)	-1.11%	0.92%
2	Return on Assets (RoA)	-0.68%	0.74%
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

(₹ in lakhs)

	Particulars	As at March 31 2023	As at March 31 2022
1	Other Provision and Contingencies	9.37	-
2	Provision for Standard Assets	4,52.87	-

(I) Concentration of NPAs

(₹ in lakhs)

Particulars	Amount	Exposure as a % of total assets
Total Exposure to top five NPA accounts	NIL	NIL

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

(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-23	N.A	N.A	N.A	CRISIL AA-/ STABLE	CRISIL A1+	CRISIL AA-/ STABLE
		31-Mar-22	N.A	N.A	N.A	CRISIL AA-/ STABLE	CRISIL A1+	CRISIL AA-/ STABLE
2	ICRA	31-Mar-23	ICRA AA- / POSITIVE	N.A	N.A	ICRA AA- / POSITIVE	ICRA A1+	N.A
		31-Mar-22	ICRA AA- / STABLE	N.A	N.A	ICRA AA- / STABLE	ICRA A1+	N.A
3	CARE	31-Mar-23	CARE AA-/ STABLE	CARE A1+	N.A	CARE AA-/ STABLE	CARE A1+	N.A
		31-Mar-22	CARE AA-/ STABLE	CARE A1+	N.A	CARE AA-/ STABLE	CARE A1+	N.A

(K) Sectoral exposure

	Sectors	As at March 31, 2023			As at March 31, 2022		
		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	1132,18.71	-	-	-	-	-
	Total	**1132,18.71**	**-**	**-**	**-**	**-**	**-**
4	Personal Loans	-	-	-	-	-	-
	Total	-	-	-	-	-	-
5	**Others, if any**	-	-	-	-	-	-

L) Exposure to Capital Market

(₹ in lakhs)

	Particulars	As at March 31 2023	As at March 31 2022
(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;	7326,14.43	5169,58.97
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in 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;	-	-
(iv)	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 / 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;	-	-
(vi)	Loans sanctioned to corporate against the security of shares / bonds / debentures or other securities or on clean 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;	-	-
(x)	All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	-	-
	Total exposure to capital market	**7326,14.43**	**5169,58.97**

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
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 Borrowings
Ten (10 nos.)	3689,90.49	98.89%

(iv) Funding Concentration based on significant instrument / product

Name of the Instrument	(₹ in lakhs)	% of Total Liabilities
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

(₹ in lakhs)

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

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.

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

For the previous year i.e. financial year 2021-22

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

No. of Significant Counterparties	(₹ in lakhs)	% of Total	% of Total
Seven (7 nos.)	24,27.29	NA	98.55%

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

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

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

(iv) Funding Concentration based on significant instrument / product

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

(v) Stock Ratios

(₹ in lakhs)

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

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

(vi) Institutional set-up for liquidity risk management

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

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)

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,	Stage-1	-	-	-	-	-
loan commitments, etc. which are	Stage-2	-	-	-	-	-
in the scope of Ind AS 109 but not	Stage-3	-	-	-	-	-
Subtotal		**-**	**-**	**-**	**-**	**-**
	Stage-1	1132,18.71	4,52.87	1127,65.84	4,52.87	-
TOTAL	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
		1132,18.71	**4,52.87**	**1127,65.84**	**4,52.87**	**-**

(Note: There were no loans & advances for the year ended March 31st, 2022, hence no disclosure is given.)

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

51 Other disclosures

(a) No penalties were imposed by RBI and other regulators during the financial year 2022-23. (financial year 2021-22: Nil)

(b) The Company does not have any exposure in real estate sector during the financial year 2022-23. (financial year 2021-22: 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 financial year 2022-23 or holds any exposure in respect of derivative transactions as on March 31, 2023. (financial year 2021-22: Nil)

(f) The Company has not drawn down any amounts from the reserves during the financial year 2022-23 except as disclosed in Statement of Changes in Equity. (financial year 2021-22: Nil)

(g) The Company has not sold any Financial Assets to Securitisation / Reconstruction Company for Asset Reconstruction during financial year 2022-23. (financial year 2021-22: Nil)

(h) The Company has not purchased any non-performing financial assets during the financial year 2022-23. (financial year 2021-22: Nil)

(i) Overseas assets (for those with joint ventures and subsidiaries abroad)
The Company does not have any joint venture or subsidiary abroad, hence not applicable.

(j) Customer Complaints:
The customer complaints during the year were NIL due to no customer interaction.

(k) The amount of unsecured advances stood at Rs. 1127,65.84 Lakhs (March 31, 2022: Rs. Nil).
Further, the Company has not granted unsecured advances against collateral of intangible securities such as charge over the rights, licenses or authority.
The Company has not obtained any Registration/ licence/ authorisation, by whatever name called, from other financial sector regulators.

(l) The Company has not traded/invested in crypto currency or virtual currency for the year ended March 31, 2023 and March 31, 2022.

(m) The Board of Directors of Tata Motors Finance Limited (TMFL) and Tata Motors Finance Solutions Limited (TMFSL), wholly owned subsidiaries of the Company, at their respective meeting held on October 3, 2022, approved a Scheme of Arrangement ("the Scheme") under Section 230 to Section 232 read with Section 66 of the Companies Act, 2013 as amended between TMFL and TMFSL and their respective shareholders for demerger of the Non-Banking Finance related business ("NBFC Undertaking") of TMFL into the TMFSL through the Scheme. Appointed date for the scheme is April 1, 2023. The Reserve Bank of India has given its no-objection certificate for the Scheme. The Scheme is subject to approvals of the National Company Law Tribunal and other regulatory authorities.

(n) There is no unhedged foreign currency exposure as on 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.

(o) There is no breach of covenant for any borrowings undertaken by the Company.

(p) The Company does not have any exceptional items of income and expenditure during the financial year 2022-23. (financial year 2021-22 - Nil)

(q) The company does not have any divergence in provisioning and gross NPA reported by company and assessed by RBI in inspection report for FY 21-22.

(r) 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.

(s) 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, 2023 and March 31, 2022 in the tax assessments under the Income Tax Act, 1961.

As per our report of even date attached

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

KAPADIA NEMISH BHARAT
Digitally signed by KAPADIA NEMISH BHARAT
DN: c=IN, st=Maharashtra, 2.5.4.20=2a7cc1bf0b03e42209282ce58092a5f13433baf1f45c9696e878624c1abeb194, postalCode=400067, street=A-302,RNA Regency Park, M.G. Road, Near Hindustan Naka, Kandiwali West, serialNumber=f515b6d0388158cd58660e58dcd1bbf2787d2f1a0cd498ad93043b1ab57f9fba, o=Personal, cn=KAPADIA NEMISH BHARAT, pseudonym=94d56fad2dd3fc7459c62c0aa3622c1d
Date: 2023.05.02 18:36:46 +05'30'

Nemish Kapadia
Partner
Membership No. 111929
Place : Mumbai
Date: May 2, 2023

For and on behalf of the Board of Directors

Palamadai Sundararajan Jayakumar
Digitally signed by Palamadai Sundararajan Jayakumar
Date: 2023.05.02 17:07:51 +05'30'
P.S. JAYAKUMAR
Director
(DIN - 01173236)

PATHAMADAI BALACHANDRAN BALAJI
Digitally signed by PATHAMADAI BALACHANDRAN BALAJI
Date: 2023.05.02 16:31:51 +05'30'
P.B. BALAJI
Director
(DIN - 02762983)

SAMRAT GUPTA
Digitally signed by SAMRAT GUPTA
Date: 2023.05.02 16:49:02 +05'30'
SAMRAT GUPTA
Director
(DIN - 07071479)

ANAND BANG
Digitally signed by ANAND BANG
Date: 2023.05.02 16:57:20 +05'30'
ANAND BANG
Manager

RIDHI ZAVERI GANGAR
Digitally signed by RIDHI ZAVERI GANGAR
Date: 2023.05.02 16:45:15 +05'30'
RIDHI GANGAR
Chief Financial Officer

VINAY BABURAO LAVANNIS
Digitally signed by VINAY BABURAO LAVANNIS
Date: 2023.05.02 17:01:35 +05'30'
VINAY LAVANNIS
Company Secretary
(Membership No :- A7911)

Place: Mumbai
Date: May 2, 2023

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

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:					**Amount outstanding**	**Amount overdue**
(1)	**Loans and advances availed by the CIC inclusive of interest accrued thereon but not paid:**					
	(a)	Debentures	: Secured			-
			: Unsecured (Note 1)		2463,09.08	-
			(other than falling within the meaning of public deposits)			
	(b)	Deferred Credits			-	-
	(c)	Term Loans			-	-
	(d)	Inter-corporate loans and borrowings			45,00.00	-
	(e)	Commercial Papers (Note 2)			1244,54.26	-
	(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				1127,65.84
(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:**					
	Current Investments:					
	1	Quoted :				
		(i)	Shares :	(a) Equity		-
				(b) Preference		-
		(ii)	Debentures and Bonds			-
		(iii)	Units of mutual funds			96,04.53
		(iv)	Government Securities			-
		(v)	Others			-
	2	Unquoted:				
		(i)	Shares :	(a) Equity		
				(b) Preference		
		(ii)	Debentures and Bonds			
		(iii)	Units of mutual funds			-
		(iv)	Government Securities			-
		(v)	Others			-
	Long Term Investments:					
	1	Quoted :				
		(i)	Shares :	(a) Equity (Investment in subsidiary)		-
				(b) Preference		-
		(ii)	Debentures and Bonds			20,000.00
		(iii)	Units of mutual funds			-
		(iv)	Government Securities			-
		(v)	Others			-
	2	Unquoted:				
		(i)	Shares :	(a) Equity (Investment in subsidiaries)		7315,13.56
				(b) Preference		-
		(ii)	Debentures and Bonds			400,00.00
		(iii)	Units of mutual funds			-
		(iv)	Government Securities			-
		(v)	Others			-

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

Schedule to the
Balance Sheet of a non-deposit taking Core Investment Company
(Disclosure as per Annexure II of Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016)

(5)	**Borrower group-wise classification of assets financed as in (2) and (3) above :**			
		Amount net of provisions		
	Category	**Secured**	**Unsecured**	**Total**
	1 Related Parties			
	(a) Subsidiaries	-	29,988.00	29,988.00
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	827,77.84	827,77.84
	2 Other than Related Parties			
	Total	**-**	1127,65.84	1127,65.84

(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	96,04.53	96,04.53
	Total	8011,18.09	8011,18.09

(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. 30,596.43 lakhs.

Note 2: Commercial Paper are net of unamortised discounting charges amounting to Rs. 6245.74 lakhs.

For and on behalf of the Board of Directors

Palamadai Sundararajan Jayakumar
Digitally signed by Palamadai Sundararajan Jayakumar
Date: 2023.05.02 17:08:34 +05'30'
P. S. JAYAKUMAR
Director
(DIN - 01173236)

PATHAMADAI BALACHANDRAN BALAJI
Digitally signed by PATHAMADAI BALACHANDRAN BALAJI
Date: 2023.05.02 16:32:24 +05'30'
P.B. BALAJI
Director
(DIN - 02762983)

SAMRAT GUPTA
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Date: 2023.05.02 16:49:23 +05'30'
SAMRAT GUPTA
Director
(DIN - 07071479)

ANAND BANG
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Date: 2023.05.02 16:57:42 +05'30'
ANAND BANG
Manager

RIDHI ZAVERI GANGAR
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Date: 2023.05.02 16:46:11 +05'30'
RIDHI GANGAR
Chief Financial Officer

VINAY BABURAO LAVANNIS
Digitally signed by VINAY BABURAO LAVANNIS
Date: 2023.05.02 17:02:07 +05'30'
VINAY LAVANNIS
Company Secretary
(Membership No :- A7911)

Place: Mumbai
Date: May 2, 2023