TMF HOLDINGD LIMITED

A Tata Enterprise

ANNUAL REPORT

MARCH 31, 2025

BOARD OF DIRECTORS

Mr. Nasser Munjee
Independent Director & Chairman
(Resigned w.e.f. 11/6/2025)

Mrs. Varsha Purandare
Independent Director and Chairman

Mr. N. V. Sivakumar
Independent Director
(Resigned w.e.f. 11/6/2025)

Mr. P. B. Balaji
Non-Executive Director
(Resigned w.e.f. 10/6/2025)

Mr. Dhiman Gupta
Non-Executive Director
(Resigned w.e.f. 23/12/ 2024)

Mr. Samrat Gupta
Non- Executive Director
(Resigned w.e.f. 15/10/2024)

Dr. Vaijayanti Pandit
Independent Director
(Appointed w.e.f. 9/6/2025)

Mr. Asim Mukhopadhyay*
Non-Executive Director
(Appointed on 9/6/2025)

Mr. Sudeep Bhalla*
Non-Executive Director
(Appointed on 26/6/2025)

Mr. Prakash Pandey
Non-Executive Director
(Appointed w.e.f. 03/04/2025)

**Appointment is subject to approval of Reserve Bank of India*

MANAGER & KMP
Mr. Anand Bang
(Till 2/4/2025)

Mr. Vishwanathan Nallepalli
(From 26/6/2025)

CHIEF FINANCIAL OFFICER
Ms. Ridhi Gangar
(Till. 22/11/2024)

Mr. Amit Mittal
(From 22/11/2024
Till 15/4/2025))

Mr. Mohit Agarwal
(From 15/4/2025)

COMPANY SECERETARY
Mr. Vinay Lavannis
(Till 31/3/2025)

Mr. Neeraj Dwivedi
(From 1/4/2025)

STATUTOTY AUDOTORS
M/s. B. R. Maheswari & Co, LLP, Chartered Accountants

CORPORATE INDENTIFICATION NUMBER (CIN)
U65923MH2006PLC162503

REGISTERED OFFICE
14, 4th Floor, Sir H.C. Dinshaw Building 16, Horniman Circle, Fort, Mumbai- 400001
Tel: +91 22 6172 9600

REGISTRAR AND SHARE TRANSFER AGENT

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

BANKERS

HDFC Bank Limited

DEPOSITORIES

Central Depository (Services)
Limited
National Securities Depository Limited

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

LISTED AT (Debt Securities)
National Stock Exchange of India
Limited
(NCDs and CP)

TMF HOLDINGS LIMITED

DIRECTORS' REPORT
MARCH 31, 2025

To,
THE MEMBERS
TMF HOLDINGS LIMITED

The Directors feel privileged to present the 19th Annual Report on the business and operations of the company and the statement of accounts for the year ended March 31, 2025.

1. BACKGROUND

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

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

2. FINANCIAL RESULTS

(Rs. in Crore)

Particulars	F.Y. 2024-25	F.Y. 2023-24
Total Income	107.79	168.25
Less:		
Finance Costs	268.77	285.38
Impairment of financial instruments and other assets	-2.97	-1.52
Employee benefits expenses	-	-
Other expenses	3.91	3.7
Depreciation / Amortization	0.36	0.37
Profit/(loss) Before Exceptional Item	**-162.28**	**-119.68**
Exceptional item (Gain)	641.07	-
Profit/(loss) Before Tax	**478.79**	**-119.68**
Less: Tax Expense	104.37	-
Profit/(loss) After Tax	**374.42**	**-119.68**
Other comprehensive income	-	-
Total comprehensive income for the year	**374.42**	**-119.68**
Balance brought forward from previous year (distributable)	-440.49	-177.45
Amount Available for Appropriations	-66.07	-297.13
Appropriations		
Statutory Reserve*	(74.89)	-
Distributions made to holders of instruments entirely equity in nature	143.35	143.36
Issuance expenses for Perpetual Debentures	-	-
Surplus carried to Balance Sheet	-284.31	-440.49

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

3. DIVIDEND

The Company has not declared dividend for FY 2024-25 on Equity Shares in view of losses.

4. OPERATIONS

The Company is primarily engaged in the business of investing, granting of loans, guarantees, and other forms of finance to its subsidiaries and Tata Motors group companies and to carry such other activities as may be permitted under the CIC guidelines. During the year, the Company recorded a total income of Rs.107.79 crores (as against Rs.168.25 crores for previous year) and profit before tax of Rs. 478.79 crores (as against loss before tax of Rs.119.68 crores in FY24).

5. PERFORMANCE OF SUBSIDIARIES

TMF Business Services Limited (TMFBSL)

During the year, the Company recorded a total income of Rs. 53.47 crores and loss before tax of Rs.58.26 crores. Loss after tax for the year was at Rs. 63.54 crores.

8. FINANCE

The total borrowings as of March 31, 2025 stood at Rs. 3,261.08 crores comprising mainly of Non-Convertible Debentures and Inter-Corporate Deposits. The Debt / Equity ratio as on March 31, 2025 is 0.58. The Company complies with all the regulatory ratios applicable to Core Investment Company (CIC) as per RBI Guidelines.

9. CREDIT RATING

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

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

@ Rating & Outlook upgraded w.e.f. June 13, 2024
* Long term rating upgraded w.e.f. July 05, 2024

10. SHARE CAPITAL

The Authorised Share Capital of the Company as on March 31, 2025 is Rs.37,50,00,00,000 (Rupees Three Thousand Seven Hundred and Fifty Crore) and Paid-Up Share Capital is Rs.1741,59,34,420/- (Rupees One Thousand Seven Forty One- Crores Fifty Nine Lakhs Thirty-Four Thousand Four Hundred and Twenty) consisting of 17,41,593,442 equity shares of Rs. 10/- each.

11. NUMBER OF MEETINGS OF THE BOARD

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

12. COMMITTEES OF THE BOARD

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

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

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

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

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

14. INFORMATION TECHNOLOGY/ DIGITAL STRATEGY

The Company has adequate Information Technology (IT) structure/ Digital Strategy (DS) commensurate with its size and operations.

15. COMPLIANCE & REGULATORY FRAMEWORK

The Company has complied with all applicable laws, rules, regulations, guidelines. The compliance requirements across various department are communicated comprehensively through regular communications. The Company uses web-based tool as a repository of compliance tasks which are updated as required by the Regulators. The compilations of these reports are reviewed by the Audit Committee/Board.

16. REGULATORY ACTION

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

18.. DEPOSITS FROM PUBLIC

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

19. EXTRACT OF THE ANNUAL RETURN

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the Annual Return in Form MGT-7 for FY 2024-25 is available on the website at www.tatamotors.com.

20. ACCOUNTS AND ACCOUNTING STANDARDS

The financial statements for the year ended March 31, 2025 are prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (the "Act").

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

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

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

22. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company had appointed Mr. Prakash Pandey (DIN: 10850813) as an Additional Director designated as Non-Executive Director of the Company with effect from December 23, 2024 subject to approval of Reserve Bank of India and Members at the ensuing General Meeting based on the recommendation of Nomination and Remuneration Committee. Consequent to RBI's approval his appointment came in effect from April 3, 2025.

During the year, Mr. Dhiman Gupta (DIN: 09420213), resigned as Non-Executive Director from the Board of Directors of the Company and its committees with effect from December 23, 2024.

In addition, Mr. Samrat Gupta (DIN: 07071479) resigned as Non-Executive Director, from the Board of Directors of the Company and its Committees with effect from October 15, 2024.

After closing of the financial year, the following are the changes in the constitution of Board:

- Dr. Vaijayanti Pandit (DIN: 06742237) has been appointed as an Additional Director of the Company to be designated as Independent Director w.e.f. June 9, 2025;
- Mr. Asim Mukhopadhyay (DIN 06520288) has been recommended to be appointed as an Additional Director of the Company to be designated as Non-Executive Director from June 9, 2025 or such later date as approved by the Reserve Bank of India (RBI);

- Mr. Sudeep Bhalla (DIN 11160825) has been recommended to be appointed as an Additional Director of the Company to be designated as Non-Executive Director from June 26, 2025 or such later date as approved by the Reserve Bank of India (RBI);
- Mr. Nasser Munjee, Independent Director, Mr. N. V. Sivakumar, Independent Director have resigned from the Board w.e.f June 11, 2025 and Mr. P. B. Balaji, Non-Executive Director has resigned from the Board w.e.f. June 10, 2025 due to their pre-occupations.

The Board placed on record its appreciation and sincere gratitude for the valuable contribution/ guidance/ services rendered by outgoing Directors during their tenure.

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

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

Mr. Amit Mittal was appointed as Chief Financial Officer in place of Ms. Ridhi Gangar effect from November 22, 2024.

The following were the changes in KMPs of Company post the closing of year under review:

- Mr. Anand Bang ceased to be Manager and KMP of the Company with effect from April 2, 2025.
- Mr. Neeraj Dwivedi was appointed as Company Secretary in place of Mr. Vinay Lavannis w.e.f April 1, 2025.
- Mr. Mohit Agarwal was appointed as Chief Financial Officer in place of Mr. Amit Mittal with effect from April 15, 2025 subsequent to resignation of Mr. Amit Mittal with effect from April 15, 2025.

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

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

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

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

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

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

The Nomination and Remuneration Committee (NRC) based on the requirements of the Company, recommends the appointment of Directors (Independent / Non – Executive) to the Board, as and when required.

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

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

- Remuneration in the form of Sitting Fees and Commission to be paid to Independent Directors and Non-Independent Non-Executive Directors, in accordance with the provisions of the Act and as recommended by the NRC; and
- No remuneration would be payable to Directors for services rendered in any other capacity unless the services are of a professional nature and the NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.

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

25. INTERNAL AUDIT FUNCTION

The Company has adequate Internal Audit Function commensurate with its size and operations.

26. INTERNAL FINANCIAL CONTROLS

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

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

Based on results of assessment of the design and operating effectiveness of the controls, Company has concluded that Company's Internal Financial Controls were adequate and effective during the financial reporting as of March 31, 2025.

27. RISK AND CONCERNS

The company has been proactively enhancing its Risk Management Framework in response to its business growth. This involves a thorough, consistent review of all critical risks through its enterprise risk management framework, led by the Risk Management Committee. The Asset Liability Supervisory Committee plays a crucial role in ensuring assets and liabilities are properly aligned, while the Risk Management Committee offers a comprehensive review of the company's risk portfolio, regularly discussed with the Board of Directors.

28. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

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

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

The Company has zero tolerance for sexual harassment at workplace and has a Policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under for prevention and redressal of complaints of sexual harassment at workplace. The Company has not received any complaint on sexual harassment during the year.

30. STATUTORY AUDITORS

The Company has appointed M/s B R Maheshwari & Co. LLP as Statutory Auditors of the Company for FY 2025 to 2027 and appointment for FY 25 will be placed in the ensuing AGM for ratification.

31. SECRETARIAL AUDITORS

The Company had appointed M/s.SG & Associates, Practicing Company Secretary as Secretarial Auditor of the Company in terms of the provisions of Section 204 of the Companies Act, 2013 for conducting the secretarial audit of the Company for the FY 2024-25. Secretarial Audit report issued by M/s. SG & Associates, Practicing Company Secretary, forming part of the Directors' Report for the year ended March 31, 2025 is enclosed as Annexure "1" to this Report.
The Company has reappointed M/s. SG & Associates, Practicing Company Secretary as Secretarial Auditor of the Company in terms of the provisions of section 204 of the Companies Act, 2013 for conducting the secretarial audit of the Company for the F.Y. 2025-26 and FY 2026-27.

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

There is no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors in their Reports on the Financial Statements of the Company for FY 2024-25. Further, the secretarial audit report also does not contain any qualifications, reservations, or adverse remarks or disclaimer for the F.Y. 2024-25.

33. INFORMATION ON MATERIAL CHANGES AND COMMITMENTS

There are no material changes or commitments affecting the financial position of the Company which have occurred upto the date of Board Report.

34. RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed on the Company's website at www.tatamotors.com. All contracts / arrangements / transactions entered by the Company during the financial year with related parties were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

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

35. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report prepared in accordance with the Part C of Schedule V of SEBI Listing Regulations forms part of this Report and attached as Annexure- "2" along with following certificates/declarations:

- Compliance certificate by Practicing Company Secretary for compliance of Corporate Governance during the period under review as required under Part E -Schedule V of SEBI Listing Regulations
- Certificate by Practicing Company Secretary pursuant to Schedule V Part C clause (10)(i) of the SEBI Listing Regulations
- Declaration from Manager / Chief Financial Officer in respect of financial statements and Cash Flow Statement pursuant to regulation 17 (8) of SEBI Listing Regulations for the financial year ended March 31, 2025
- Declaration by Manager on Code of Conduct as required under Part D- Schedule V

36. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory auditors and secretarial auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2024-25. Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

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

37. OTHER DISCLOSURES

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

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

A copy of Annual Report along with the Financial Statements for FY 2024-25 of the Company is also available on the website of the Company, www.tatamotors.com.

38. ACKNOWLEDGEMENTS

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

On behalf of the Board of Directors of
TMF HOLDINGS LIMITED

CHAIRPERSON

CS SG & ASSOCIATES
Company Secretaries

FORM NO. MR 3

SECRETERIAL AUDIT REPORT

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule no 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

For the Financial Year Ended 31st March, 2025

To,
The Members,
TMF HOLDINGS LIMITED

We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by TMF Holdings Limited (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the TMF Holdings Limited's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India,

We further report that,

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

SG & ASSOCIATES
COMPANY SECRETARIES
MUMBAI

- Mr. Samrat Gupta ceased as a Non-Executive Director w.e.f. 15-10-2024 due to resignation.
- Mr. Amit Mittal was appointed as Chief Financial Officer (CFO) of the company w.e.f 22-11-2024.
- Ms. Ridhi Gangar ceased to be Chief Financial Officer (CFO) w.e.f. 22-11-2024 due to resignation.
- Mr. Dhiman Gupta ceased as a Non-Executive Director w.e.f. 23-12-2024 due to resignation.
- Mr. Prakash Pandey was appointed as a Non-Executive Director w.e.f. 03-04-2025.
- Mr. Anand Bang ceased as Manger and Key Managerial Personnel w.e.f. 01-04-2025
- Mr. Neeraj Dwivedi was appointed as Company Secretary & Compliance Officer w.e.f. 01-04-2025.
- Mr. Vinay Lavannis ceased as Company Secretary & Compliance Officer w.e.f. 31-03-2025 due to completion of term.

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

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

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

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

- Annual General Meeting was held on September 23, 2024 for the Financial Year 2023-24 wherein alongwith ordinary business, Special business for approval of Increase in Authorised Share Capital by Rs. 500 Crores was transacted.

For SG & Associates

SG & ASSOCIATES
COMPANY SECRETARIES
SUHAS S. GANPULE
PROPRIETOR
C.P. NO. 5722

Date: 02-05-2025
Place: Mumbai

Suhas Ganpule
Proprietor
Practicing Company Secretary
Membership No A12122
C. P. No 5722
UDIN: A012122G000249691
UIN:S2004MH073900
Peer review Certificate No.:991/2020

SG & ASSOCIATES
ACS NO. 12122
CP NO. 5722
MUMBAI
COMPANY SECRETARIES

Annexure 'A'

To
The Members,
TMF HOLDINGS LIMITED

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

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

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

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

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

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

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

For SG and Associates
Practicing Company Secretaries

SG & ASSOCIATES
COMPANY SECRETARIES
SUHAS S. GANPULE
PROPRIETOR
C.P. NO. 5722

Suhas Ganpule
Proprietor
Membership No: A12122
C. P No: 5722
UDIN: A012122G000249691
UIN:S2004MH073900
Peer review Certificate No.:991/2020

S.G. & ASSOCIATES
ACS NO. 12122
CP NO. 5722
MUMBAI
COMPANY SECRETARIES

Date: 02-05-2025
Place: Mumbai

Corporate Governance Report **Annexure- 2**

I. Company's Philosophy on Corporate Governance

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

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

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

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

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

II. Board of Directors

As on March 31, 2025, the Company has five (5) Directors viz. Mr. Nasser Munjee, Chairman & Independent Director, Mr. N. V. Sivakumar, Independent Director, Mrs. Varsha Purandare, Independent Director, Mr. P. B. Balaji, Non-Executive Director, and Mr. Prakash Pandey, Non-Executive Director. The Company had appointed Mr. Prakash Pandey (DIN: 10850813) as an Additional Director designated as Non-Executive Director of the Company with effect from December 23, 2024 subject to approval of Reserve Bank of India and Members at the ensuing General Meeting based on the recommendation of Nomination and Remuneration Committee. Reserve Bank of India granted it's approval for the appointment on April 3, 2025, consequently his appointment came in effect from that date.

During the year, Mr. Dhiman Gupta (DIN: 09420213), resigned as Non-Executive Director from the Board of Directors of the Company and its committees with effect from December 23, 2024. Mr. Samrat Gupta (DIN: 07071479) resigned as Non-Executive Director, from the Board of Directors of the Company and its Committees with effect from October 15, 2024.

Subsequent to closing of financial year 2024-25, following changes has happened:

- Dr. Vaijayanti Pandit (DIN: 06742237) has been appointed as an Additional Director of the Company to be designated as Independent Director w.e.f. June 9, 2025;
- Mr. Asim Mukhopadhyay (DIN 06520288) has been appointed as Additional Director of the Company to be designated as Non-Executive Director commencing from June 9, 2025 or such later date on which approval of the Reserve Bank of India (RBI) is obtained;
- Mr. Sudeep Bhalla (DIN 11160825) has been appointed as an Additional Director of the Company to be designated as Non-Executive Director commencing from June 26, 2025 or such later date on which approval of the Reserve Bank of India (RBI) is obtained;
- Mr. Nasser Munjee, Independent Director, Mr. N. V. Sivakumar, Independent Director have resigned from the Board w.e.f June 11, 2025 and Mr. P. B. Balaji, Non-Executive Director has resigned from the Board w.e.f. June 10, 2025 due to their pre-occupations.

Notes:

i. None of the Directors on the Board holds directorships in more than 10 public companies. None of the Independent Directors serves as an Independent Director on more than 7 listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2025 have been made by the Directors. None of the Director is related to each other.

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

iii. 11 (Eleven) Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on April 2, 2024, May 02, 2024, June 4, 2024, July 18, 2024, September 26, 2024, October 17, 2024, November 22, 2024, December 23, 2024, January 23, 2025, March 7, 2025 and March 31, 2025. The necessary quorum was present for all the meetings.

During the year under review, all the Board members were compliant to the ceilings of their respective Directorships and membership / Chairmanship of various Committees where they are / were members / Chairman.

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

Entrepreneur / Leadership	Extended entrepreneurial / leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.

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

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

III. Committees of the Board

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

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

i) <u>Audit Committee</u>

As on March 31, 2025, the Audit Committee comprises of Three (3) Directors viz. Mr. N. V. Sivakumar (Chairman), Mrs. Varsha Purandare, Independent Directors and Mr. P. B. Balaji, Non-Executive Director.

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

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

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

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

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

The role of the Audit Committee shall include the following:

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

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

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

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

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

During the year under review, Ten (10) meetings were held on April 18, 2024, May 02, 2024, June 4, 2024, July 17, 2024, September 26, 2024, October 17, 2024, November 22, 2024, December 23, 2024, January 23, 2025 and March 31, 2025. The composition of the Audit committee and the attendance of its members at its meetings held during FY 2024-25 are given below:

Name of Member	**Member since**	**Category**	**No. of Meetings**	
			Held	**Attended**
Mr. N. V. Sivakumar	07/11/2023	Independent Director (Chairman)	10	9
Mrs. Varsha Purandare	16/06/2021	Independent Director	10	10
Mr. P. B. Balaji	29/01/2018	Non-Executive Director	10	8

The Board has accepted all the recommendations made by the Audit Committee during the year. The invitees for Audit Committee meetings are Manager, Statutory Auditors, Chief Internal Auditor of the Company and Tata Motors Limited, Chief Financial Officer and Company Secretary. The minutes of the Audit Committee meetings forms part of the Board papers circulated for Board Meetings. The Chairman of the Audit Committee briefs the Board members about significant discussions at Audit Committee meetings. The Audit Committee of the Board meets the Head Internal Auditor at least once in a quarter without the presence of the MD or Senior Management.

ii) <u>Nomination and Remuneration Committee (NRC)</u>

The Nomination and Remuneration Committee of Directors has been constituted to ensure appointment of Directors with 'fit and proper' credentials and to review the performance and to decide commission payable to the Directors, to formulate and administer Long Term Incentive Plans, if any and to review employee compensation vis-à-vis industry practices and trends.

As on March 31, 2025, the Nomination and Remuneration Committee comprises of Three (3) Directors namely Mrs. Varsha Purandare (Chairperson), Mr. Nasser Munjee, Independent Directors and Mr. P. B. Balaji, Non-Executive Director.

During FY 2024–25, Five (5) meetings of the NRC were held on May 13, 2024, September 26, 2024, November 22, 2024, December 23, 2024 and March 31, 2025. The composition of the NRC and the attendance of its members at its meetings held during FY 2024-25 are given below:

Name of the member	**Member since**	**Category**	**No. of meetings**	
			Held	**Attended**
Mrs. Varsha Purandare	07/11/2023	Independent Director (Chairperson)	5	5
Mr. Nasser Munjee	20/06/2020	Independent Director	5	5

Mr. P. B. Balaji	29/01/2018	Non-Executive Director	5	4

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

NRC/Remuneration Policy:

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

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

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

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

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

iii) Asset Liability Supervisory Committee (ALCO)

The Asset Liability Supervisory Committee manages the liquidity risk and asset liability management of the Company. As of March 31, 2025, ALOC comprises the senior management executives of the Company has 4 meetings happened during the year under review on June 26, 2024, September 19, 2024, December 19, 2024 and March 19, 2025.

iv) Risk Management Committee (RMC)

The Risk Management Committee of Directors manages the integrated risks of the Company. As of March 31, 2025, Risk Management Committee comprises Three (3) Directors namely Mrs. Varsha Purandare (Chairperson), Mr. N. V. Sivakumar and Mr. P. B. Balaji.

During FY 2024-25, Four (4) meetings of the RMC were held on June 13, 2024, September 23, 2024, December 23, 2024 and March 21, 2025. The composition of the RMC and the attendance of its members at its meetings held during FY 2024-25 are given below:

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

*Resigned effective from December 23, 2024.

**Resigned of effective from October 15, 2024.

v) Corporate Social Responsibility (CSR) Committee

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

As on March 31, 2025, the Corporate Social Responsibility (CSR) Committee comprises of Two (2) Directors namely Mr. Nasser Munjee (Chairman) and Mr. N. V. Sivakumar.

During FY 2024-25, no meeting of the CSR Committee was held in view of non-availability of mandatory CSR spends in terms of CSR provisions of the Companies Act, 2013.

Name of Member	Member Since	Category	No. of Meetings	
			Held	Attended
Mr. Nasser Munjee	12/11/2021	Independent Director (Chairman)	0	0
Mr. N. V. Sivakumar	07/11/2023	Independent Director	0	0

vi) Stakeholders Relationship Committee (SRC)

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

As on March 31, 2025, Stakeholders' Relationship Committee (SRC) comprises of Two (2) members namely Mr. Nasser Munjee (Chairman), and Mr. P B Balaji.

During FY 2024-25, One (1) meeting of the SRC were held on January 23, 2025.
The previous AGM of the Company was attended by Mr. Nasser Munjee, Chairman of the Stakeholders Relationship Committee.

Stakeholders – other details

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

a. Name, designation and address of Compliance Officer:
Mr. Vinay Lavannis
Company Secretary
Building A, 2nd Floor, Lodha I Think Techno Campus, Off. Pokharan Road No 2, Thane (West) 400 601.
Board Line: 022 61070021
Email: vinay.lavannis@tmf.co.in

With Effect from April 1, 2025, Mr. Neeraj Dwivedi was appointed as Compliance Officer of the Company

Name, designation and address of Compliance Officer:
Mr. Neeraj Dwivedi
Company Secretary
Building A, 2nd Floor, Lodha I Think Techno Campus, Off. Pokharan Road No 2, Thane (West) 400 601.
Board Line: 022 61070021
Email: neeraj.dwivedi@tatamotors.com

b. Details of Investor Complaints received and redressed during FY 2024-2025 are as follows:

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

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

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

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

As on March 31, 2025, the IT Strategy Committee (ITSC) comprises of Four (4) members namely Mrs. Varsha Purandare (Chairperson), N. V. Sivakumar, Mr. P. B. Balaji and Mr. Neeloy Majumder. Mr Anand Bang (Manager), Mr. Amit Mittal (CFO) and Mr. Ramesh Chandra (CIO) are permanent invitees for the meetings of ITSC.

During FY 2024-25, Four (4) meetings of the ITSC were held on June 13, 2024, September 23, 2024, December 23, 2024 and March 21, 2025. The composition of the ITSC and the attendance of its members at its meeting held during FY 2024-25 are given below:

Name of Member	Category	No. of Meetings	
		Held	Attended
Mrs. Varsha Purandare	Independent Director (Chairperson)	4	4
Mr. N. V. Sivakumar	Independent Director	4	4
Mr. P. B. Balaji	Non-Executive Director	4	4
Mr. Neeloy Majumder	Chief Digital & Marketing Officer	4	3

Other Disclosures

Particulars	Regulations	Details	Website link for details/policy
Related party transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	There are no material related party transactions during the year that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company.	www.tatamotors.com
Details of non - compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets	Schedule V (C) 10(b) to the SEBI Listing Regulations	There were no cases of non-compliance during the last three financial years.	NA
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company.	www.tatamotors.com
Discretionary requirements	Schedule II Part E of the SEBI Listing Regulations	a. Mr. Nasser Munjee, Chairman does not maintain any separate office. b. The auditors' report on financial statements of the Company are unqualified. c. The Company is having separate posts of Chairman and the Manager. Mr. Nasser Munjee is an Independent	NA

		Director and not related to Mr. Anand Bang, Manager. d. Chief Internal Auditor has direct functional reporting to Audit Committee.	
Subsidiary Companies	Regulation 24 of the SEBI Listing Regulations	The audit committee reviews the consolidated financial statements of the Company and the investments made by its subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the subsidiary companies are periodically placed before the Board of Directors of the Company.	NA
Policy on Archival and Preservation of Documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted a Policy on Archival and Preservation of Documents.	www.tatamotors.com
Code of Conduct	Regulation 17 of the SEBI Listing Regulations	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2024. The Annual Report of the Company contains a certificate by the Manager & KMP, on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.	www.tatamotors.com
Terms of Appointment of Independent Directors	Regulation 62 (1A) of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act	Terms and conditions of appointment/ re-appointment of Independent Directors are available on the Company's website.	www.tatamotors.com
Familiarization Program	Regulations 25(7) and 62 (1A) (i) of SEBI Listing Regulations	The Company conducts induction programme for Directors.	The details will be uploaded at www.tatamotors.com as and when any Director joins the Board.
Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018	Clause I Part C Schedule V of SEBI LODR	No complaint was filed during the year under this Policy.	NA

Disclosure of 'Loans and advances in the nature of loans to firms/companies in which directors are interested	Clause m Part C Schedule V of SEBI LODR	Nil	NA

IV. Means of Communication

The quarterly, half-yearly and annual financial results of the Company are published in leading newspapers in India which include The Free Press Journal (English newspaper). The results are also displayed on the Company's website i.e. www.tatamotors.com. Financial Results, Statutory Notices and Press Releases after the declaration of the quarterly, half-yearly and annual results are submitted to the National Stock Exchange of India Limited (NSE) as well as uploaded on the Company's website.

V. General shareholder information

i. **Financial Calendar**

Year ending: April 1 to March 31
Dividend Payment: NA

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

iii. **Listing on Stock Exchanges** :

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

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

iv. **Stock Codes/Symbol**

NSE : Nil

The Company has paid Annual Listing fees for FY 2024-25 to the National Stock Exchange (NSE) where the Company's securities are listed.

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

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

vii. Registrars and Transfer Agents
Name and Address:
MUFG Intime India Private Limited
(Formerly Link Intime India Private Limited)
C-101, 1st Floor, 247 Park
L.B.S. Marg, Vikhroli (West)
Mumbai - 400083

Tel: +91-22-49186000
Fax: +91-22-49186060
Website : www.linkintime.co.in

For the convenience of the security holders, documents will also be accepted at the following branches/agencies of Link Intime India Private Limited.

Place	Name and Address	Phone / Fax / Email
Mumbai	**Registered Office** MUFG Intime India Private Limited (Formerly Link Intime India Private Limited) C-101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai – 400083	Tel: +91-22-49186000 Fax: +91-22-49186060 Email: prakash.sampat@linkintime.co.in Website: https://www.linkintime.co.in

viii. Securities Transfer System:

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

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

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

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

(3) Pursuant to Regulation 61(4) read together with Regulation 40(9) of the SEBI Listing Regulations, a Certificate by the Company Secretary-in-Practice is filed with the stock exchanges within one month from the end of the financial year, certifying that since all the Debentures were issued by the Company in Demat form, no physical debenture certificate were required to be delivered during the period from April 1, 2023 to March 31, 2024 pursuant to Regulation 61(4) read with Regulation 40(9) of Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015.

ix. Shareholders as on March 31, 2025:

a. Distribution of equity shareholding as on March 31, 2025: Not Applicable as Equity shares are not listed

b. Categories of equity shareholding as on March 31, 2025

Category	Number of equity shares held	Percentage of holding
Promoters	1,741,593,442	100
Other Entities of the Promoter Group	Nil	Nil
Mutual Funds & UTI	Nil	Nil
Banks, Financial Institutions, States and Central Government	Nil	Nil
Insurance Companies	Nil	Nil
Foreign Institutional Investors and Foreign Portfolio Investors – Corporate	Nil	Nil
NRI's / OCB's / Foreign Nationals	Nil	Nil
Corporate Bodies / Trust	Nil	Nil
Indian Public & Others	Nil	Nil
Alternate Investment Fund	Nil	Nil
IEPF account	Nil	Nil
GRAND TOTAL	**1,741,593,442**	**100**

Dematerialization of Shares and Liquidity:

The Company's shares are not listed and traded on any stock exchange. However, equity shares of the Company representing 100% of the Company's equity share capital are dematerialized as on March 31, 2025 except six equity shares of the Company which are held by Tata Motors Limited jointly with its representatives in physical form. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's Equity shares is INE909H01019.

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

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

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

On behalf of the Board of Directors of

TMF HOLDINGS LIMITED

Suvandara

Chairperson

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

I, Vishwanathan Nallepalli, Manager of the Company hereby declare that all the members of Board of Directors and Senior Management Personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of the financial year 2024-25.

For **TMF HOLDINGS LIMITED**

Vishwanathan Nallepalli
Manager

Date: June 26, 2025
Place: Mumbai

MANAGER /CFO Certification in respect of Financial Statements and Cash Flow Statement (pursuant to regulation 17 (8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 For the Financial Year ended March 31, 2025

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March 2025 and we hereby certify and confirm to the best of our knowledge and belief the following:

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

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

c. There are no transactions entered in to by the Company during the year ended 31st March 2025 which are fraudulent, illegal or violative of Company's Code of Conduct.

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

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

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

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

Vishwanathan Nallepalli	**Mohit Agarwal**
Manager	**Chief Financial Officer**

Date: June 26, 2025
Place: Mumbai

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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

I have examined the compliance of the conditions of Corporate Governance by **TMF Holdings Limited ("the Company")**, for the year ended on March 31, 2025 as stipulated in regulations 17 to 27 and sub-regulation (1A) of Regulation 62 and Para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations)and as made applicable to the Company effective September 7, 2021 on a comply or explain basis until March 31, 2025, and the necessary explanation in the quarterly compliance report on Corporate Governance submitted to the Stock Exchange under Regulation 27(2)(a)of SEBI Listing Regulations.

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

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

Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and sub-regulation (1A) of Regulation 62and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2025.

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

For S G &Associates
Practicing Company Secretary

SG & ASSOCIATES
COMPANY SECRETARIES
SUHAS S. GANPULE
PROPRIETOR
C.P. NO. 5722

Place: Mumbai
Date: 02-05-2025

Suhas S. Ganpule
Proprietor
Membership No: 12122
CP No: 5722
UDIN No: A012122G000251867
UIN: S2004MH073900
Peer Review Certificate No: 991/2020

S G & ASSOCIATES
MEM NO. 12122
CP NO. 5722
MUMBAI
COMPANY SECRETARIES

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
TMF HOLDINGS LIMITED
14, 4TH FLOOR, SIR H.C. DINSHAW BUILDING
16, HORNIMAN CIRCLE, FORT,
MUMBAI-400001

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Name of the Director	DIN
Mr. Nasser Mukhtar Munjee	00010180
Mr. Narumanchi Venkata Sivakumar	03534101
Mrs. Varsha Vasant Purandare	05288076
Mr. Pathamadai Balachandran Balaji	02762983
Mr. Prakash Pandey*	10850813

***Mr. Prakash Pandey (DIN: 10850813)was appointed as an additional Director in the Board Meeting held on 23rd December,2024, w.e.f. 23rd December, 2024 or date of approval of RBI whichever is later. As RBI approval received on 3rd April, 2025, his effective date of appointment is 3rd April, 2025.**

SG & ASSOCIATES
ACS NO. 12122
CP NO. 5722
MUMBAI
COMPANY SECRETARIES

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SG & Associates
Practicing Company Secretaries

SG & ASSOCIATES
COMPANY SECRETARIES
SUHAS S. GANPULE
PROPRIETOR
C.P. NO. 5722

Suhas Ganpule
Proprietor
Membership No: A12122
C. P. No: 5722
UDIN: A012122G000251955
UIN:S2004MH073900
Peer Review Certificate No: 991/2020

Date: 02-05-2025
Place: Mumbai

SG & ASSOCIATES
ACS NO. 12122
CP NO. 5722
MUMBAI
COMPANY SECRETARIES

Annexure-1

Form AOC-1

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

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amount in Rs for the F.Y. 2024-25)

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

(Rs. in Lakhs)

Sl. No.	Particulars	Details
1	Name of the subsidiary	TMF Business Services Limited (Formerly Tata Motors Finance Limited)
2	The date since when subsidiary was acquired	29/03/2016
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable
5	Share capital	37,22.71
6	Reserves & surplus	(9,91.62)
7	Total assets	313,54.24
8	Total Liabilities	286,23.15
9	Investments	-
10	Turnover*	50,42.32
11	Profit / (loss) before taxation	(16,69.04)
12	Provision for taxation	(5,90.93)
13	Profit / (loss) after taxation	(10,78.11)
14	Proposed Dividend	0
15	Extent of shareholding as on date (inpercentage)	100%

**Represents Revenue from Operations.*

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

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

On behalf of the Board of Directors of

TMF HOLDINGS LIMITED

Chairperson

Date: June 26, 2025

B R MAHESWARI & CO LLP
CHARTERED ACCOUNTANTS

M – 118, Connaught Circus, New Delhi – 110001 Phone: +91 (11) 4340 2222
Email: brmc@brmco.com

INDEPENDENT AUDITOR'S REPORT

To the Members of TMF Holdings Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of TMF Holdings Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statement of such subsidiary as were audited by other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and in the context of the overriding effect of the provision in the scheme of arrangement as approved by the National Company Law Tribunal (NCLT), regarding accounting of sale of discontinued operations from the specified retrospective appointed date, give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2025, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 18 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Information Technology ("IT") Systems and controls impacting financial statements</td></tr>
<tr><td>The Group relies extensively on information technology (IT) systems to support its financial reporting processes, including transaction recording, data processing, and reporting across multiple business units.

The integrity of financial reporting is dependent on effective IT General Controls (ITGCs) in areas such as user access management, program change management, and IT operations. Weaknesses in these controls may increase the risk of unauthorized transactions, data manipulation, or errors going undetected, thereby impacting the reliability of financial information.

We identified ITGCs as a key audit matter due to the pervasive use of IT systems in financial reporting and the potential impact that ineffective IT controls could have on the accuracy of the consolidated financial statements.</td><td>Our procedures with respect to this matter included the following:

➢ Evaluate the design and operating effectiveness of ITGCs across key systems relevant to financial reporting.

➢ Tested user access controls to assess whether access was appropriately restricted to authorized personnel.

➢ Assessed change management controls to ensure that system changes were authorized, tested, and implemented appropriately.

➢ Evaluated IT operations controls, including backup and recovery processes and job processing.

Based on the procedures performed, we did not identify any material exceptions in the design or operating effectiveness of IT controls that would impact the Consolidated financial statements.</td></tr>
</table>

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

7. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

10. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. We communicate with those charged with governance of the Holding Company 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.

14. 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.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Emphasis of Matter

16. We draw attention to Note 48 to the consolidated financial statements which describes the overall accounting for the Scheme of arrangement for amalgamation of Tata Motors Finance Limited with Tata Capital Limited. The Scheme has been approved by the National Company Law Tribunal ('NCLT') vide its order dated 01 May 2025 with appointed date of 1 April 2024 and a certified copy has been filed by Tata Motors Finance Limited, a subsidiary of the Company with the Registrar of Companies, Maharashtra, on 08 May 2025. In accordance with the scheme approved by NCLT, the Company has given effect to the Scheme from the retrospective appointed date specified therein i.e. 1 April 2024 which overrides the relevant requirement of Ind AS 110 (according to which the scheme would have been accounted for from 08 May 2025 which is the date of loss of control as per the aforesaid standard). The financial impact of the aforesaid treatment has been disclosed in the aforesaid note.

    Our opinion is not modified in respect of this matter.

Other Matters

17. The consolidated Financial Statements of the company for the year ended March 31,2024 were audited by another firm of chartered accountants under the Act who, vide their report dated May 02,2024, expressed an unmodified opinion on those consolidated financial statements.

18. The consolidated financial statements include the financial statements of a subsidiary, whose financial statements reflect total assets of ₹189.15 crores as at March 31, 2025, total revenue of ₹53.47 crores, net loss after tax of ₹63.54 crores, and total comprehensive income of Nil for the year then ended. These financial statements have been audited by another firm of Chartered Accountants, whose report has been furnished to us by Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary, and our report in terms of sub-section (3) of Section 143 of the Companies Act, 2013, including the report on Other Information, is based solely on the report of the other auditor.

    Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

19. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the auditor of the Subsidiary in its CARO 2020 report issued in respect of the financial statements of the subsidiary company which are included in these Consolidated Financial Statements.

20. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph 20 (h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the overriding effect of the scheme approved by the NCLT as described in Emphasis of Matter Paragraph above.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 20 (b) above on reporting under Section 143(3)(b) and paragraph 20 (h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(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, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 35 to the consolidated financial statements.
   ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2025.
   iii. There were no amounts due to be transferred to the Investor Education and Protection Fund by the Holding Company. Based on the report of the other auditor, the subsidiary is not required to transfer any amounts to the investor education and protection fund.
   iv. (a) The respective Managements of the Holding Company and its subsidiary, which is company incorporated in India, whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding Company and its subsidiary which is company incorporated in India, whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or its subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditor of the subsidiary, which is a company incorporated in India, whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

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

vi. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. The Audit Trail has been maintained as per the statutory requirements for records retention as per proviso to Rule 3(1) of the companies (Accounts Rules) 2014.
Further, the Subsidiary Company uses services of third party service provider for invoice processing and in the absence of Service Organisation Type 2 report, specifically covering the maintenance of audit trail, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout of the year for all the relevant transactions recorded in the software or whether there are any instances of audit trail feature has been tempered with.

21. The Group has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **B R Maheswari & Co LLP**
Chartered Accountants
Firm Registration Number:001035N/N500050

AKSHAY MAHESHWARI
Digitally signed by AKSHAY MAHESHWARI
Date: 2025.05.10 21:20:23 +05'30'

Akshay Maheshwari
Partner
Membership Number:

UDIN: **25504704BMIBFX6369**
Place: Delhi
Date: May 10, 2025

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to financial statements of TMF Holdings Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 ("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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company and its subsidiary company, which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, 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 issued by the ICAI.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India. Our opinion is not modified in respect of this matter.

For **B R Maheshwari & Co LLP**
Chartered Accountants
Firm Registration Number: 001035N/N500050

AKSHAY MAHESHWARI
Digitally signed by AKSHAY MAHESHWARI
Date: 2025.05.10 21:20:45 +05'30'

Akshay Maheshwari
Partner
Membership Number:

UDIN: **25504704BMIBFX6369**

Place: Delhi
Date: May 10,2025

TMF HOLDINGS LIMITED
Consolidated Balance Sheet as at March 31, 2025

(₹ in crores)

	Particulars	Notes	As at March 31 2025	As at March 31 2024
I	**ASSETS**			
1	**Financial assets**			
(a)	Cash and cash equivalents	5	6.19	3,013.86
(b)	Bank balance other than cash and cash equivalents	6	-	107.68
(c)	Derivative financial instruments	16	-	102.44
(d)	Receivables			
	i. Trade receivables	7	7.34	41.43
	ii. Other receivables	8	0.01	19.40
(e)	Loans	9	-	31,506.81
(f)	Investments	10	661.14	2,529.45
(g)	Other financial assets	11	8,048.53	1,091.43
			8,723.21	38,412.50
2	**Non-financial assets**			
(a)	Current tax assets (net)		189.45	354.16
(b)	Deferred tax assets (net)	12	-	16.92
(c)	Property, plant and equipment	13	102.08	257.92
(d)	Goodwill	14A	-	205.19
(e)	Other intangible assets	14B	0.33	7.24
(f)	Other non-financial assets	15	20.90	222.71
			312.76	1,064.14
3	**Assets held for sale**		-	65.46
	Total assets		9,035.97	39,542.10
II	**LIABILITIES AND EQUITY**			
1	**Financial liabilities**			
(a)	Derivative financial instruments	16	-	4.91
(b)	Payables	17		
	(i) Trade payables			
	- total outstanding dues of micro enterprises and small enterprises		0.17	13.19
	- total outstanding dues of creditors other than micro enterprises and small enterprises		0.66	267.44
	(ii) Other payables			
	- total outstanding dues of micro enterprises and small		-	-
	- total outstanding dues of creditors other than micro enterprises and small enterprises		0.05	110.84
(c)	Debt securities	18	1,116.08	7,268.37
(d)	Borrowings (Other than debt securities)	19	2,145.00	25,348.39
(e)	Subordinated liabilities	20	-	484.48
(f)	Other financial liabilities	21	42.22	1,184.38
			3,304.18	34,682.00
2	**Non-financial liabilities**			
(a)	Current tax liabilities (net)		3.87	2.41
(b)	Deferred tax liabilities (net)	12	104.37	-
(c)	Provisions	22	0.10	110.93
(d)	Other non-financial liabilities	23	5.79	74.62
			114.13	187.96
3	**Equity**			
(a)	Equity share capital	24A	1,741.59	1,741.59
(b)	Instruments entirely equity in nature	24B	1,800.00	1,800.00
(c)	Other equity		2,076.07	(677.45)
Equity attributable to owners			5,617.66	2,864.14
Non-controlling interests			-	1,808.00
			5,617.66	4,672.14
	Total liabilities and equity		9,035.97	39,542.10

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

PATHAMADAI BALACHANDRAN BALAJI Digitally signed by PATHAMADAI BALACHANDRAN BALAJI Date: 2025.05.10 20:16:34 +05'30'
P.B. BALAJI
Director
(DIN - 02762983)

NARUMANCHI VENKATA SIVAKUMAR Digitally signed by NARUMANCHI VENKATA SIVAKUMAR Date: 2025.05.10 19:23:19 +05'30'
N. V. SIVAKUMAR
Director
(DIN - 03534101)

For B R Maheswari & Co LLP
Chartered Accountants
Firm Registration Number: 001035N/N500050

AKSHAY MAHESHWARI Digitally signed by AKSHAY MAHESHWARI Date: 2025.05.10 21:06:47 +05'30'
AKSHAY MAHESHWARI
Partner
Membership No. 504704

MOHIT AGARWAL Digitally signed by MOHIT AGARWAL Date: 2025.05.10 20:01:20 +05'30'
MOHIT AGARWAL
Chief Financial Officer

NEERAJ KUMAR DWIVEDI Digitally signed by NEERAJ KUMAR DWIVEDI Date: 2025.05.10 19:33:52 +05'30'
NEERAJ DWIVEDI
Company Secretary
Membership No :- ACS20874

Place : Mumbai
Date: May 10, 2025

Place : Mumbai
Date: May 10, 2025

TMF HOLDINGS LIMITED
Consolidated Statement of Profit & Loss for the year ended March 31, 2025

(₹ in crores)

	Particulars	Notes	For the year ended March 31 2025	For the year ended March 31 2024
	Revenue from operations			
	(a) Interest income	25	66.43	41.78
	(b) Rental income		48.86	54.91
	(c) Net gain on fair value changes	26	11.17	13.77
	(d) Fees and commission income	27	0.03	0.02
I	**Total Revenue from operations**		**126.49**	**110.48**
II	Other income	28	7.80	30.13
III	**Total income (I + II)**		**134.29**	**140.61**
IV	**Expenses:**			
	(a) Finance cost	29	268.81	227.34
	(b) Impairment/ (reversal of impairment) of financial instruments	30	(8.22)	0.33
	(c) Employee benefits expenses	31	0.29	0.75
	(d) Depreciation and amortization	13 & 14B	40.63	38.05
	(e) Other expenses	32	21.33	48.88
	Total expenses		**322.84**	**315.35**
V	**Profit/(Loss) before exceptional items and tax (III - IV)**		**(188.55)**	**(174.74)**
VI	**Exceptional items**			
	Impairment of business		32.00	-
VII	**Profit/(Loss) for the year before tax (V - VI)**		**(220.55)**	**(174.74)**
VIII	**Tax expense**	12		
	Current tax		-	0.30
	Deferred tax		5.28	(6.21)
	Total tax expense/ (credit) (net)		**5.28**	**(5.91)**
IX	**Profit (Loss) for the period from continuing operations (VII - VIII)**		**(225.83)**	**(168.83)**
X	**Profit/(loss) from discontinued operations**	48	4,073.33	224.11
XI	**Tax expense of discontinued operations**	48	104.37	172.27
XII	**Profit/(loss) from discontinued operations (after tax) (X - XI)**		**3,968.96**	**51.84**
XIII	**Profit/(Loss) for the year after tax (IX + XII)**		**3,743.13**	**(116.99)**
XIV	**Other comprehensive income**			
	A i. It Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit plans		-	(3.33)
	(b) Equity Instruments through Other Comprehensive Income		-	45.28
	ii. Income tax relating to items that will not be reclassified to profit or loss		-	(11.40)
	Subtotal (A)		**-**	**30.55**
	B i. It Items that will be reclassified to profit or loss			
	(a) Net Gains/(losses) on cash flow hedges		-	15.86
	(b) Debt Instruments through Other Comprehensive Income		-	(74.35)
	ii. Income tax relating to items that will be reclassified to profit or loss		-	18.71
	Subtotal (B)		**-**	**(39.78)**
	Other Comprehensive Income		**-**	**(9.23)**
XV	**Total comprehensive income for the year (XIII + XIV)**		**3,743.13**	**(126.22)**
XVI	**Earnings per equity share of ₹ 100 each**	33		
	(i) from continuing operations			
	Basic (in ₹)		**(2.12)**	**(2.75)**
	Diluted (in ₹)		**(2.12)**	**(2.75)**
	(ii) from discontinued operations			
	Basic (in ₹)		**22.79**	**0.30**
	Diluted (in ₹)		**22.79**	**0.30**

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached
For B R Maheswari & Co LLP
Chartered Accountants
Firm Registration Number: 001035N/N500050

AKSHAY MAHESHWARI Digitally signed by AKSHAY MAHESHWARI Date: 2025.05.10 21:07:27 +05'30'

AKSHAY MAHESHWARI
Partner
Membership No. 504704

Place: Mumbai
Date: May 10, 2025

For and on behalf of the Board of Directors

PATHAMADAI BALACHANDRAN BALAJI Digitally signed by PATHAMADAI BALACHANDRAN BALAJI Date: 2025.05.10 20:17:13 +05'30'

P.B. BALAJI
Director
(DIN - 02762983)

NARUMANCHI VENKATA SIVAKUMAR Digitally signed by NARUMANCHI VENKATA SIVAKUMAR Date: 2025.05.10 19:22:47 +05'30'

N. V. SIVAKUMAR
Director
(DIN - 03534101)

MOHIT AGARWAL Digitally signed by MOHIT AGARWAL Date: 2025.05.10 20:02:37 +05'30'

MOHIT AGARWAL
Chief Financial Officer

NEERAJ KUMAR DWIVEDI Digitally signed by NEERAJ KUMAR DWIVEDI Date: 2025.05.10 19:33:20 +05'30'

NEERAJ DWIVEDI
Company Secretary
Membership No :- ACS20874

Place: Mumbai
Date: May 10, 2025

TMF HOLDINGS LIMITED
Consolidated Statement of Cash Flow for the year ended March 31, 2025

(₹ in crores)

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) for the year from continuing operations	**(225.83)**	**(168.83)**
Net profit/(loss) for the year from discontinued operations	**3,968.96**	**51.84**
Adjustments for:		
Interest income on loans, deposits and investments	(66.43)	(3,849.85)
Balances written back	(0.10)	(6.24)
Finance costs (other than Interest expense on assets taken on lease)	268.81	2,711.45
Interest expense on lease liability	-	6.77
Tax expense/ (reversal)	109.65	166.36
Allowance/ (reversal) for loan losses (net of writeoff)	(2.98)	1,101.19
Allowance/ (reversal) for doubtful loans and advances (others)(net of write off)	(5.24)	26.50
Gain on sale of investments (net)	(0.61)	(146.98)
Dividend Income	-	(12.95)
Mark-to-market (MTM) on investments measured at fair value through profit or loss	(10.92)	(618.57)
Depreciation and amortization expense	40.63	69.16
Loss on sale of property, plant and equipments (including assets scrapped/ written off) (net)	13.52	4.36
Fair value changes on derivative instruments	-	9.27
Loss on sale of assets held for sale	-	33.72
Impairment of business	32.00	-
MTM Gain on Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	(3,968.96)	-
Operating cash flow before working capital changes and discounting charges	**152.50**	**(622.80)**
Movements in working capital		
Trade and other receivables	7.26	(27.36)
Loans	-	1,418.53
Other financial assets	-	(18.59)
Trade and other payables	(1.91)	41.87
Other non-financial assets	(1.54)	(31.89)
Other financial liabilities	4.60	271.21
Provision for expenses	(0.13)	13.88
Other non-financial liabilities	0.96	(5.68)
Assets held for sale	-	99.09
	161.74	**1,138.26**
Finance costs paid	(281.05)	(2,343.52)
Current/Income taxes paid/ (refund) (net)	(50.40)	(5.89)
Net cash used in operating activities	**(169.71)**	**(1,211.15)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments and intangible assets	(43.54)	(111.78)
Proceeds from sale of property, plant and equipments	14.81	8.77
(Purchase)/ Redemption of mutual fund units (net)	(45.59)	146.12
Interest income received on loans, deposits and investments	94.60	4,005.93
Redemption of Debt securities	-	1.50
Investment in treasury bills	-	(5,372.30)
Redemption of treasury bills	-	5,380.00
Distribution from trust securities	-	0.59
Deposits with more than 3 months maturity	-	(13.86)
Realisation of deposits/restricted deposits with banks	100.00	74.70
Investment in channel finance	-	(5,593.94)
Recovery in channel finance	363.95	6,061.55
Inter corporate deposit (placed)/repaid (net)	118.00	-
Dividend income	-	12.95
Net cash generated from investing activities	**602.23**	**4,600.23**

TMF HOLDINGS LIMITED
Consolidated Statement of Cash Flow for the year ended March 31, 2025

(₹ in crores)

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in cash credit (net)	-	68.06
Interest payment on lease liability	-	(6.77)
Principal payment of lease liability	-	(14.28)
Distributions made to holders of Instruments entirely equity in nature	(143.35)	(317.60)
Repayments of Collatralised debt obligation	-	(74.87)
Proceeds from debt securities	490.60	8,366.54
Repayment of debt securities	(2,846.17)	(13,179.00)
Repayment of subordinated liabilities	-	(230.10)
Proceeds from borrowings (other than debt securities)	2,952.00	20,401.95
Repayment of borrowings (other than debt securities)	(892.00)	(19,551.57)
Net cash used in financing activities	**(438.92)**	**(4,537.64)**
Net decrease in cash and cash equivalents (A + B + C)	**(6.40)**	**(1,148.56)**

(₹ in crores)

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Cash and cash equivalents at the beginning of the year	3,013.85	4,162.41
Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	3,001.26	-
Cash and cash equivalents at the end of the year	6.19	3,013.85
Net decrease in cash and cash equivalents	**(6.40)**	**(1,148.56)**

See accompanying notes forming part of the consolidated financial statements

Notes:

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

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

As per our report of even date attached

For B R Maheswari & Co LLP
Chartered Accountants
Firm Registration Number: 001035N/N500050

AKSHAY MAHESHWARI Digitally signed by AKSHAY MAHESHWARI Date: 2025.05.10 21:07:59 +05'30'

AKSHAY MAHESHWARI
Partner
Membership No. 504704

Place: Mumbai
Date: May 10, 2025

For and on behalf of the Board of Directors

PATHAMADAI BALACHANDRAN BALAJI Digitally signed by PATHAMADAI BALACHANDRAN BALAJI Date: 2025.05.10 20:17:50 +05'30'

P.B. BALAJI
Director
(DIN - 02762983)

NARUMANCHI VENKATA SIVAKUMAR Digitally signed by NARUMANCHI VENKATA SIVAKUMAR Date: 2025.05.10 19:29:14 +05'30'

N. V. SIVAKUMAR
Director
(DIN - 03534101)

MOHIT AGARWAL Digitally signed by MOHIT AGARWAL Date: 2025.05.10 20:03:44 +05'30'

MOHIT AGARWAL
Chief Financial Offic

NEERAJ KUMAR DWIVEDI Digitally signed by NEERAJ KUMAR DWIVEDI Date: 2025.05.10 19:32:49 +05'30'

NEERAJ DWIVEDI
Company Secretary
Membership No :- ACS20874

Place: Mumbai
Date: May 10, 2025

1 Background and operations

TMF Holdings Limited (the "Company") is registered as a Non-Banking Financial (Non-Deposit Accepting or Holding) Company with the Reserve Bank of India (RBI) with effect from August 9, 2006. Pursuant to application requesting for conversion of the Group to a Core Investment Company, submitted to RBI on June 23, 2017, RBI issued a fresh Certificate of Registration of NBFC - Non Deposit taking - Systemically Important - Core Investment Company (CIC) dated October 12, 2017 to the Company.

The Company is primarily a holding company, holding investments in its subsidiaries and other Group companies.

The Company and its subsidiaries (collectively referred to as "the Group") is engaged primarily in lending activities providing finance for vehicle and to corporates dealers and vendors of ultimate parent company (referred to as "Tata Motors Limited"), through its PAN India branch network.

The consolidated financial statements were approved by the Board of Directors and authorised for issue on May 10, 2025.

2 Basis of preparation of financial statements

2.1 Statement of compliance

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

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

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

2.2 Historical cost convention

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

2.3 Presentation of financial statements

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

3 MATERIAL ACCOUNTING POLICIES

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

(i) Basis of Consolidation

<u>Subsidiaries</u>

The consolidated financial statements include the Company and its subsidiaries. Subsidiaries are entities controlled by the Group. Control exists when the Group

(a) has power over the investee,

(b) it is exposed, or has rights, to variable returns from its involvement with the investee and

(c) has the ability to affect those returns through its power over the investee.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above. In assessing control, potential voting rights that currently are exercisable are taken into account. The results of subsidiaries acquired or disposed off during the year are included in the consolidated financial statements from the effective date of acquisition and up to the effective date of disposal, as appropriate.

The financial statements of the Group and its subsidiary companies have been consolidated on a line-by-line basis by adding together of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions and resulting unrealised profit or losses, unless cost cannot be recovered, as per the applicable Accounting Standard in India. Accounting policies of the respective subsidiaries entities are aligned wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Group.

TMF HOLDINGS LIMITED
Consolidated Statement of Changes in Equity for the year ended March 31, 2025

A Equity share capital

(₹ in crores)

Particulars	As at March 31 2025		As at March 31 2024	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	1,74,15,93,442	1,741.59	1,74,15,93,442	1,741.59
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,74,15,93,442	1,741.59	1,74,15,93,442	1,741.59

B Other equity

(₹ in crores)

Particulars	Reserve & surplus				Other components of equity				
	Special reserve	Securities Premium Account	Capital reserve	Retained earnings	Equity instruments through OCI	Debt instruments through OCI	Cost of hedging Reserve	Hedging Reserve	Total
Balance as at April 1, 2024	534.29	1,790.33	241.73	(3,779.50)	178.54	325.71	15.05	16.41	(677.44)
Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	(276.46)	156.72	(190.82)	-	(178.54)	(325.71)	(15.05)	(16.41)	(846.27)
	257.83	1,947.05	50.91	(3,779.50)	-	-	-	-	(1,523.71)
Profit / (Loss) for the year from continuing operations	-	-	-	(225.83)	-	-	-	-	(225.83)
Profit / (Loss) for the year from discontinued operations				3,968.96					3,968.96
Total Comprehensive income/(loss) for the year	-	-	-	3,743.13	-	-	-	-	3,743.13
Distributions made to holders of instruments entirely equity in nature	-	-	-	(143.35)	-	-	-	-	(143.35)
Transfer to special reserve	74.88	-	-	(74.88)	-	-	-	-	-
Balance as at March 31, 2025	332.71	1,947.05	50.91	(254.60)	-	-	-	-	2,076.07

(₹ in crores)

Particulars	Reserve & surplus				Other components of equity				
	Special reserve	Securities Premium Account	Capital reserve	Retained earnings	Equity instruments through OCI	Debt instruments through OCI	Cost of hedging Reserve	Hedging Reserve	Total
Balance as at April 1, 2023	523.91	1,790.33	241.73	(3,338.94)	144.65	381.35	(6.36)	21.96	(241.37)
Profit for the year	-	-	-	(116.99)	-	-	-	-	(116.99)
Other comprehensive income /(loss) for the year	-	-	-	(3.33)	33.88	(55.64)	21.41	(5.55)	(9.23)
Total Comprehensive income/(loss) for the year	-	-	-	(120.32)	33.88	(55.64)	21.41	(5.55)	(126.22)
Distributions made to holders of instruments entirely equity in nature	-	-	-	(309.86)	-	-	-	-	(309.86)
Transfer to special reserve	10.38	-	-	(10.38)	-	-	-	-	-
Balance as at March 31, 2024	534.29	1,790.33	241.73	(3,779.50)	178.54	325.71	15.05	16.41	(677.45)

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached

For B R Maheswari & Co LLP
Chartered Accountants
Firm Registration Number: 001035N/N500050

AKSHAY MAHESHWARI — Digitally signed by AKSHAY MAHESHWARI Date: 2025.05.10 21:08:30 +05'30'
AKSHAY MAHESHWARI
Partner
Membership No. 504704

For and on behalf of the Board of Directors

PATHAMADAI BALACHANDRAN BALAJI — Digitally signed by PATHAMADAI BALACHANDRAN BALAJI
P.B. BALAJI
Director
(DIN - 02762983)

NARUMANCHI VENKATA SIVAKUMAR — Digitally signed by NARUMANCHI VENKATA SIVAKUMAR Date: 2025.05.10 19:29:36 +05'30'
N. V. SIVAKUMAR
Director
(DIN - 03534101)

MOHIT AGARWAL — Digitally signed by MOHIT AGARWAL Date: 2025.05.10
MOHIT AGARWAL
Chief Financial Officer

NEERAJ KUMAR DWIVEDI — Digitally signed by NEERAJ KUMAR DWIVEDI Date: 2025.05.10 19:32:21 +05'30'
NEERAJ DWIVEDI
Company Secretary
Membership No :- ACS20874

Place : Mumbai
Date: May 10, 2025

Place: Mumbai
Date: May 10, 2025

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Interest in Joint arrangements- Joint Venture

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are incorporated in these financial statements using the equity method of accounting as described below.

Equity method of accounting (equity accounted investees)

An interest in an joint venture is accounted for using the equity method from the date in which the investee becomes a joint venture and are recognised initially at cost. The group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses, if any. The consolidated financial statements include the group's share of profits or losses and equity movements of equity accounted investees, from the date that joint control commences until the date that joint control ceases.

When the group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments in the nature of net investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the group has an obligation or has made payments on behalf of the investee.

Unrealised gains on transactions between the group and its joint ventures are eliminated to the extent of the group's interest in the joint venture, unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred and where material, the results of joint ventures are modified to confirm to the group's accounting policies.

(ii) Business Combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognized in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognized at their fair value at the acquisition date, except certain assets and liabilities required to be measured as per the applicable standard.

Purchase consideration in excess of the group's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognized as goodwill. Excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognized, after reassessment of fair value of net assets acquired, in the Capital Reserve.

Business combinations arising from transfer of interests in entities that are under common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholder's equity.

(iii) Use of estimates and judgments

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

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

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

a) Note 3 (xiii) A- Business model assessment for classification and measurement of financial assets
b) Note 3 (xiii) A and 43 - Impairment of financial assets based on the expected credit loss model
c) Note 3(iv) - Recognition of interest income/expenses using Effective Interest Rate (EIR) method.
d) Note 3(vi) and 3(vii) - Useful lives of property, plant and equipment and intangible assets.
e) Note 3(x) and 36 - Measurement of assets and obligations of defined benefit employee plans.
f) Note 3(v) and 12 - Recognition of deferred tax assets.
g) Note 3(xi) - Measurement and recognition of Provisions and Contingencies.
h) Note 3(xiii) and 38 - Fair value measurement of Financial Instruments.
i) Note 3(xiii) A - Effective Interest Rate (EIR) methodology that represents the best estimate of a constant rate of return over the expected behavioral life of financial instruments.
j) Note 3(viii)- Determination of lease term where Group is a lessee
k) Note 3(ix) & 14A - Impairment of intangible assets- goodwill

(iv) Revenue recognition

(a) Income on loans arising from financing activities

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

The EIR in case of a financial asset is computed

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

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

Overdue Interest is recognised on a point-in-time basis, and are recorded when realised since the probability of collecting such monies is established when the customer pays.

Income from direct assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the consolidated statement of profit and loss.

(v) Income Taxes

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the statement of profit & loss except when they relate to items that are recognised outside the consolidated statement of profit and loss (whether in other comprehensive income or directly in equity), in which case tax is also recognised outside the consolidated statement of profit and loss.

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

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

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

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

(vi) Property, Plant and equipment (PPE)

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

Depreciation is provided on the straight-line method over the useful lives of the assets considering the nature, estimated usage, operating conditions, past history of replacement and anticipated technological changes.
Schedule II to the Companies Act 2013 ('Schedule') prescribes the useful lives for various class of assets. For certain class of assets, based on technical evaluation and assessment, Management believes that, the useful lives adopted by it reflects the periods over which these assets are expected to be used. Accordingly for those assets, the useful lives estimated by the management are different from those prescribed in the Schedule. Management's estimates of the useful lives for various class of PPE are as given below:

Type of Asset	Estimated useful life
Building	19 and 60 Years
Data Processing Machines	3 Years
Furniture and Fixture	5 and 10 Years
Office Equipment	2 to 10 Years
Motor Vehicles	4 and 5 Years
Vehicles on Operating Lease	4 and 6 Years

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

However, leasehold improvements and PPE located in leasehold premises are depreciated on a straight-line method over shorter of their respective useful lives or the tenure of the lease arrangement.
Individual assets costing less than ₹. 5,000/- are expensed off at the time of purchase.

(vii) Other intangible assets

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

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

Intangible Assets and their Useful Lives are as under

Type of Assets	Estimated useful Life
Software	5 years

(viii) Leases

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

(A) Group is a Lessee - Assets taken on lease

(i) Right of use of assets

The Group recognises right- of- use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and lease term. Right-of-use assets are subject to impairment.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) and variable lease payment that depend on a index or rate less any lease incentives receivable. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

The variable lease payments that do not depend on an index or a rate are recognised in the consolidated statement of profit and loss as an expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest with corresponding amount recognised in finance cost under the consolidated statement of profit and loss and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets
The Group applies recognition exemption of not to recognise right-of-use assets and lease liabilities for short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and low-value assets that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense in the consolidated statement of profit and loss on a straight-line basis over the lease term.

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

Assets given on operating lease
The Group has given vehicles on lease where it has substantially retained the risks and rewards incidental to ownership of an vehicle and hence these are classified as operating lease. These assets given on operating lease are included in Property Plant and Equipment (PPE). Depreciation on the vehicle are recognized as an expense in the consolidated statement of profit and loss and initial direct cost incurred in obtaining an operating lease are added to the carrying amount of the vehicle and are recognised in consolidated statement of profit and loss in the form of depreciation over the operating lease term.
Lease rental income is recognised in the consolidated statement of profit and loss as per contractual rental unless another systematic basis is more representative of the time pattern in which the benefit derived from the leased asset is diminished.

Assets given on finance lease
The Group has given vehicles on lease where it has transferred substantially all the risks and rewards incidental to ownership of an vehicle and hence these are classified as finance lease.
Assets given under finance lease are recognised as a finance lease receivable at an amount equal to the net investment in the lease. The net investment in the lease is calculated by discounting the gross investment in lease at the interest rate implicit in the lease. Lease rentals for the period are apportioned between principal and interest income. The portion of principal amount foring part of principal amount reduces the net investment in the lease. Interest (finance) income is recognised in the statement of profit or loss under Interest Income over the lease term, based on a pattern reflecting a constant periodic rate of return on the Group's net investment in the lease.

(ix) Impairment of Non financial assets

Goodwill
Cash generating units to which goodwill is allocated are tested for impairment annually at each balance sheet date, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to that unit and then to the other assets of the unit pro rata on the basis of carrying amount of each asset in the unit. Goodwill impairment loss recognized is not reversed in subsequent period.

Property, plant and equipment and other intangible assets
At each balance sheet date, the Group assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.
Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.
If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of profit and loss.

(x) Employee benefits

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

(B) Post Employment/retirement benefit Plans

(1) Defined contribution plans

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

(2) Defined benefit plans

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

(b) Gratuity

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

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

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

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

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

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

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

(xi) Provisions and contingent liabilities

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

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

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

(xii) Dividend (including dividend distribution tax)

Any dividend declared or paid by Group and its subsidiaries is based on the profits available for distribution as reported in the financial statements. Indian law mandates that dividend be declared out of distributable profits, after setting off un-provided losses and depreciation of previous years. In case of inadequacy or absence of profits in a particular year, a group may pay dividend out of accumulated profits of previous years transferred to consolidated statement of profit and loss. However, in the absence of accumulated profits a group may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in these financial statements may not be fully distributable.

(xiii) Financial instruments

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

(A) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.
Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.
Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Classification and subsequent measurement

For the purposes of initial recognition, financial assets are classified in the following categories
a. at amortised cost, or
b. at fair value through other comprehensive income (FVTOCI), or
c. at fair value through profit or loss (FVTPL)
The above classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flow.

(i) Debt Instruments

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

(a) At amortised cost:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to finance receivables and investments.

(b) At FVTOCI:

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

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the OCI. However, the Group recognises interest income, impairment losses and reversals in the consolidated statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the consolidated statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(c) At FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of profit and loss.

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

(II) Equity Instruments/investments

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

Where the Group classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to consolidated statement of profit and loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the consolidated statement of profit and loss.

(III) Impairment of financial assets

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

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

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

ECL (both life time and 12 months) are calculated on a collective basis considering the homogeneous nature of the underlying portfolio of financial assets. In case of TMFHL, for stage 1 and stage 2 assets, the company makes provision at higher of requirement as per ECL Model and as per RBI norms.

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

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

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

For restructured cases which are not getting covered under any specific regulatory package issued by RBI, as a part of qualitative assessment of whether a customer is in default (i.e. credit impaired), the Company carefully considers and assesses various instances to determine whether the restructuring of a loan or advance should result in treating the customer as defaulted and therefore assessed as stage 3 for ECL calculations.

Definition of default

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

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

PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. PD estimation process is done based on historical internal data available with the Group.

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

Forward looking information

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

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

Collateral valuation:

The Group creates & secures first and exclusive collateral charge at the time of loan origination on all vehicles for which vehicle financing loans are given. Hypothecation endorsement is obtained in favour of the Group in the Registration Certificate of the Vehicle funded under the vehicle finance category. Any surplus remaining after settlement of outstanding loan by way of sale of vehicle (collateral) is returned to the customer. Also, the Group secures portion of the loss against loans financed to customers by obtaining third party credit guarantees. For the corporate lending loan exposure, wherever required the Group obtains security cover in the form of immoveable properties by creating charge over the collateral.

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

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

ECL on Debt instruments measured at amortised cost

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

ECL on Debt instruments measured at fair value through OCI

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

Write-off

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

(IV) Derecognition of financial assets

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

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

(B) Financial liabilities and equity instruments

Classification as debt or equity

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

(I) Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

(a) At FVTPL:

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

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

(b) At amortised cost:

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

Financial guarantee contracts:

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 - Financial
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 - Revenue from contracts with customers

Derecognition of financial liabilities:

The Group de-recognises financial liabilities when and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in consolidated statement of profit and loss.

Modification/Renegotiation that do not result in derecognition

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

(II) Equity Instrument

An equity instrument is any contract that evidences residual interests in the assets of the Group after deducting all of its liabilities.

Incremental costs incurred which are directly attributable to the issue of new shares are shown in equity as deduction, net of tax, from the proceeds.

4A Group Information

Particulars of subsidiaries and joint venture which have been considered in the preparation of the consolidated financial statements:

Sr.no	Name of the Company	Country of Incorporation	% of holding either directly or through subsidiaries As at March 31 2025	% of holding either directly or through subsidiaries As at March 31 2024
	Subsidiaries			
1	TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) "TMFBSL"	India	100	100
2	Tata Motors Finance Limited (formerly known as Tata Motors Finance Solutions Limited) "TMFL" (Refer note 48)	India	-	100
	Joint Venture			
	Loginomic Tech Solutions Private Limited	India	26	26

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

(₹ in crores)

Sr. No	Name of the Company	As % of consolidated net assets	Net Assets (total assets minus total liabilities)	As % of consolidated profit / (loss)	Share of profit / (loss)	As % of other comprehensive income	Share of OCI	As % of total comprehensive income	Share of total comprehensive income
	Parent								
	TMF Holdings Limited	100%	5,593.49	10%	374.42	-	0.00	10%	374.42
	Subsidiary								
	TMF Business Services Limited	(1%)	(36.23)	(2%)	(63.55)	-	-	(2%)	(63.55)
	Adjustments arising out of discontinued operations (Refer note 48)	0%	-	106%	3,968.96	-	-	106%	3,968.96
	Adjustments arising out of consolidation	1%	60.40	(14%)	(536.70)	-	-	(14%)	(536.70)
		100%	5,617.66	100%	3,743.13	-	-	100%	3,743.13

5 Cash and cash equivalents

(₹ in crores)

	Particulars	As at March 31 2025	As at March 31 2024
(a)	Cash on hand	-	7.02
(b)	Balance with banks	6.19	567.86
(c)	Cheques, drafts on hand	-	9.66
(d)	Bank deposit with original maturity of less than 3 months	-	2,429.32
	Total	**6.19**	**3,013.86**

6 Bank Balance other than cash and cash equivalents

(₹ in crores)

	Particulars	As at March 31 2025	As at March 31 2024
(a)	Deposits with banks	-	104.25
(b)	Earmarked balances with banks (Refer note i)	-	0.34
(c)	Margin money / cash collateral with banks (Refer note ii and iii)	-	3.09
	Total	**-**	**107.68**

Note :-

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

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

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

7 Trade Receivables

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
Receivables considered good - Unsecured	10.05	45.13
Impairment loss allowance-Trade Receivable	(2.71)	(3.70)
Total	**7.34**	**41.43**

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

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

(₹ in crores)

Particulars	As at March 31, 2025							
	Outstanding for following periods from due date of payment							
	Not due	Unbilled	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	5.78	-	-	-	-	-	-	5.78
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	1.71	-	-	-	-	-	1.71
(iii) Undisputed Trade Receivables – credit impaired	-	0.42	0.50	1.15	-	-	-	2.07
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	0.17	-	-	-	-	-	0.32	0.49
Total	5.95	2.13	0.50	1.15	-	-	0.32	10.05
Less : Allowance for receivables considered good								(0.14)
Less: Allowance for credit impaired balances								(2.57)
Total								7.34

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

(₹ in crores)

Particulars	As at March 31, 2024							
	Outstanding for following periods from due date of payment							
	Not due	Unbilled	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	20.72	-	13.30	2.96	3.35	0.30	-	40.63
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	1.09	-	-	-	-	1.09
(iii) Undisputed Trade Receivables – credit impaired	-	-	0.29	0.18	-	-	-	0.47
(iv) Disputed Trade Receivables – considered good	0.17	-	-	-	-	-	-	0.17
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	0.53	-	-	-	-	0.53
(vi) Disputed Trade Receivables – credit impaired	-	-	0.78	0.85	0.54	0.06	-	2.23
Total	20.89	-	15.98	3.99	3.89	0.36	-	45.12
Less : Allowance for receivables considered good								(0.98)
Less: Allowance for credit impaired balances								(2.70)
Total								41.43

8 Other Receivables

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
Other Receivables considered good - Unsecured	0.01	19.40
Total	**0.01**	**19.40**

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

9 Loans

(₹ in crores)

	Particulars	As at March 31 2025	As at March 31 2024
(A)	**At Amortised Cost**		
	From Financing Activities		
(a)	Term loans	-	12,380.20
(b)	Finance Lease receivables	-	193.90
(c)	Factoring	-	329.09
(d)	Channel Financing	-	1,796.31
(e)	Credit substitutes	-	837.31
	(Refer note (i) below)		
	From other than financing activities		
	Inter corporate deposits (repayable on demand)	-	118.00
	Total (A) - Gross	-	**15,654.81**
Less:	Impairment loss allowance	-	(897.50)
	Total (A) - Net	-	**14,757.31**
(B)	**At fair value through Other comprehensive income (FVOCI)**		
	From Financing Activities		
	Term loans	-	17,203.86
Less:	Impairment loss allowance	-	(454.36)
	Total (B) - Net	-	**16,749.50**
(C)			
(a)	Secured by tangible assets	-	30,384.71
	(refer note (ii) & (iii))		
(b)	Covered by government guarantees	-	478.02
	(refer note (iv))		
(c)	Unsecured	-	1,995.94
	Total (C) - Gross	-	**32,858.67**
Less:	Impairment loss allowance	-	(1,351.86)
	Total (C) - Net	-	**31,506.81**
(D)			
	Loans in India		
(a)	Public Sector	-	-
(b)	Others	-	32,858.67
	Loans outside India		
(a)	Public Sector	-	-
(b)	Others	-	-
	Total (D) - Gross	-	32,858.67
Less:	Impairment loss allowance	-	(1,351.86)
	Total (D) - Net	-	**31,506.81**

Notes

(i) Investments in bonds, debentures and other financial instruments which, in substance, form a part of the Group's financing activities ("Credit Substitutes") have been classified under Loans.

(ii) Group covers/secures the credit risk associated with the loans lended to customers by creating an exclusive charge/ hypothecation/ security on the assets/vehicles as mentioned/specified in the loan agreement with the customers. This includes vehicle term loan lending done to Micro and Small Enterprises, for which the Group has availed the benefit of Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme to secure credit default risk.

(iii) For loans secured against underlying vehicle, security is created by way of borrower signing and executing hypothecation Agreement before disbursement of loan. Borrower ensures endorsement of hypothecation in Registration Certificate of underlying vehicle in favour of the Company. However, in certain cases the Company is in the process of endorsing the hypothecation in Registration Certificate book of underlying vehicle. This does not impact the Company's right as security holder over the asset under finance in the court of law, in case of default by borrower.

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

10 Investments

(₹ in crores)

Particulars	As at March 31 2025						As at March 31 2024					
		At fair value						At fair value				
	Amortized cost	Through OCI	Through profit or loss	Sub total	Others (at Cost)	Total	Amortized cost	Through OCI	Through profit or loss	Sub total	Others (at Cost)	Total
	(1)	(2)	(3)	(4=2+3)	(5)	(6=1+4+5)	(7)	(8)	(9)	(10=8+9)	(11)	(12=7+10+11)
I. Mutual funds	-	-	61.14	61.14	-	61.14	-	-	300.38	300.38	-	300.38
ii Government Securities	-	-	-	-	-	-	1,247.25	-	9.68	9.68	-	1,256.93
iii Debt securities	600.00		-	-	-	600.00	-	-	-	-	-	-
iv Equity instruments	-	-	-	-	-	-	-	173.18	797.74	970.92	-	970.92
v Preference Shares	-	-	-	-	-	-	0.40	-	-	-	-	0.40
vi Trust Securities	-	-	-	-	-	-	-	-	5.02	5.02	-	5.02
Total (A) - Gross	**600.00**	**-**	**61.14**	**61.14**	**-**	**661.14**	**1,247.65**	**173.18**	**1,112.82**	**1,286.00**	**-**	**2,533.65**
I. Investments outside India	-	-	-	-		-	-	-	-	-		-
ii. Investments in India	600.00	-	61.14	61.14	-	661.14	1,247.65	173.18	1,112.82	1,286.00	-	2,533.65
Total (B)	**600.00**	**-**	**61.14**	**61.14**	**-**	**661.14**	**1,247.65**	**173.18**	**1,112.82**	**1,286.00**	**-**	**2,533.65**
Less: Allowance for impairment loss (C)	-	-	-	-	-	-	-	(4.20)	-	(4.20)	-	(4.20)
Total (D) = (A + C)	**600.00**	**-**	**61.14**	**61.14**	**-**	**661.14**	**1,247.65**	**168.98**	**1,112.82**	**1,281.80**	**-**	**2,529.45**

TMF HOLDINGS LIMITED
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2025

Annexure to Note 10 - Details of investments

(₹ in crores)

	Description	Quantity (in nos.) as at March 31 2025	As at Mar 31 2025	Quantity (in nos.) as at March 31 2024	As at March 31 2024
(a)	Investments measured at fair value other comprehensive income				
	Investment in equity shares				
(i)	Quoted				
	Tata Steel Limited (face value reduced from Rs. 10 per share to Re.1 per share)	-	-	60,95,110	94.99
	Tata Chemicals Limited	-	-	10,060	1.09
	Tata Power Limited	-	-	9,120	0.36
	Tata Consumer Products Limited	-	-	11,468	1.26
(ii)	Unquoted - Group Companies				
	Taj Air Limited	-	-	42,00,000	4.20
	Less: Allowance for impairment loss		-		(4.20)
			-		-
	Tata International Limited	-	-	19,350	42.29
	Tata Industries Limited	-	-	9,93,753	28.99
	Subtotal (a)		-		168.98
(b)	Investments measured at fair value through profit and loss				
I	Investment in equity shares				
(i)	Quoted				
	Automobile Corporation of Goa Limited	-	-	48,315	10.45
	Tata Technologies Limited	-	-	81,19,920	787.29
(ii)	Unquoted				
	Tata Hitachi Construction Machinery Company Private Limited	-	-	2,85,714	-
	Tata Technologies Limited				
			-		797.74
II	Investment in trust securities				
	SBI Macquarie Infrastructure Trust		-	1,50,00,000	5.02
			-		5.02
III	Investment in government securities (Quoted)				
	Government securities bonds		-		9.68
			-		9.68
IV	Investment in mutual funds		61.14		300.38
			61.14		300.38
	Subtotal (b)		61.14		1,112.82
(c)	Investments measured at Amortised cost				
I	Investment in Preference shares				
(i)					
	Fully Paid Non - Cumulative Redeemable Preference shares (Unquoted)				
	6% Tata Precision Industries (India) Limited, 2025	-	-	40,000	0.40
			-		0.40

TMF HOLDINGS LIMITED
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2025

Annexure to Note 10 - Details of investments

(₹ in crores)

	Description	Quantity (in nos.) as at March 31 2025	As at Mar 31 2025	Quantity (in nos.) as at March 31 2024	As at March 31 2024
II	**Investments in Debentures and Bonds**				
(i)	**Fully Paid Secured, Non - Cumulative, Non - Convertible, Redeemable Debentures (quoted)**				
	8.49% NTPC Limited (issued as bonus) (refer note 1)	-	-	2,75,752	-
			-		-
(ii)	**Fully paid unsecured subordinated non-convertible debentures (quoted)**				
	9.95% Tata Motors Finance Limited	2,000	200.00	-	-
			200.00		-
(iii)	**Fully paid unsecured subordinated non-convertible debentures (unquoted)**				
	9% Tata Motors Finance Limited	2,000	200.00	-	-
	10% Tata Motors Finance Limited	1,000	100.00	-	-
	10.25% Tata Motors Finance Limited	1,000	100.00	-	-
			400.00		-
III	**Investment in government securities (Quoted)**				
(i)	Treasury bills	-	-		149.92
(ii)	Government securities bonds	-	-		1,097.33
			-		1,247.25
IV	**Fully paid unsecured optionally convertible zero coupon debentures**				
	Loginomic Tech Solutions Private Limited ("TruckEasy") (refer note 2)	8,35,000	-	8,35,000	-
			-		-
	Subtotal (c)		600.00		1,247.65
(d)	**Investments measured at cost**				
	Equity instruments				
	Joint Venture				
	Loginomic Tech Solutions Private Limited ("TruckEasy") (refer note 2)	31,200	-	31,200	-
	Subtotal (d)		-		-
	Total (a + b + c + d)		661.14		2,529.45

1 During the financial year ended March 31, 2024 there has been partial face value redemption in 8.49% NTPC Limited debentures. Thus, restated face value post such partial face value redemption stands at Rs. 5.

2 During the year ended March 31, 2024 the Group has written off investment, which was fully provided for in earlier year, of ₹ 11.00 crores (optionally convertible debentures of ₹ 8.35 crores and equity shares of ₹ 2.65 crores) as the Group does not expect to recover its cost of investment.

11 Other financial assets

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
(a) Deposits (Net of provision ₹ 0.09 crores ; March 31, 2024 ₹ 0.19 crores)	0.34	10.82
(b) Interest accrued on investments	31.57	0.13
(c) Interest accrued on deposits	-	0.43
(d) Application money receivable towards securities	-	61.35
(e) Receivable from mutual funds	-	204.15
(f) Others- Investment in TCL (Refer note below) (Net of provision ₹ nil; March 31, 2023 ₹ 54.1 crores)	8,016.62	814.55
Total	8,048.53	1,091.43

Note - The NCLT has sanctioned the Scheme of Arrangement of amalgamation of TMFL into TCL on May 01, 2025. Pursuant to the scheme, the Company will receive equity shares in the ratio of 37:100, i.e. 18,38,67,495 equity shares having face value of ₹ 100 each of TCL in lieu of 49,69,39,176 equity shares having face value of ₹ 100/- of TMFL, which the Group has accounted at fair value through profit and loss @ ₹ 436 per share.

12 Income taxes

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

(₹ in crores)

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior years	-	0.30
Total current tax expense	-	0.30
Deferred tax		
Decrease (increase) in deferred tax assets	5.28	102.37
(Decrease) increase in deferred tax liabilities	104.37	63.69
Total deferred tax expense/(benefit)	109.65	166.06
Income Tax expense	109.65	166.36

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 crores)

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Profit/(Loss) before taxes	3,852.78	49.35
Income tax expense at statutory tax rates applicable to individual respective entities	**969.67**	**12.42**
Tax effect of the amount which are not taxable in calculating taxable income :		
- Effect of expenses not deductible for tax computation	-	0.70
- Utilisation/credit of unrecognised tax losses, unabsorbed depreciation and other tax benefits	(0.22)	(0.38)
- Dividend from subsidiaries, joint operations, equity accounted investees and available-for-sale investments	-	-
- Effect of income taxable at lower rate	-	(97.60)
- Impact of change in statutory tax rates	-	-
- Deferred tax assets not recognised because realization is not probable	(1.25)	293.27
- Previously unrecognised and unused tax losses now utilised	-	-
- Deferred tax asset now created on previously unrecognised and unused tax losses	-	(43.88)
- Adjustments recognised in relation to the current tax of prior years	-	0.30
- Previously recognised deferred tax assets now reversed	5.28	-
- Taxes on income at different rates	-	-
- Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	(863.83)	-
- Deferred tax liability on undistributable earnings of subsidiaries	-	-
- Others	-	1.53
Income tax expense/(credit) recognised for the year at effective tax rate	109.65	166.36

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

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

(₹ in crores)

Particulars	As at April 01, 2024	Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	Through profit and loss	Through other comprehensive income	As at March 31, 2025
Deferred tax liabilities :					
- Fair Valuation of financial assets measured at FVTOCI and FVTPL	234.14	(234.14)	-	-	-
- Disposal of investments in a subsidiary company	-	-	104.37	-	104.37
- Income to be taxed on actual receipt basis	83.81	(83.81)	-	-	-
- Sourcing commission claimed on incurrence basis	40.08	(40.08)	-	-	-
Total deferred tax liabilities	**358.03**	**(358.03)**	**104.37**	**-**	**104.37**
Deferred tax asset :					
- Property, plant & equipment & Intangible assets- Accumulated depreciation/Amortisation	12.42	(8.04)	(4.38)	-	-
- Expenses deductible in future years:		-			
Provisions for impairment allowances on financial assets	303.45	(302.55)	(0.90)	-	-
Compensated absences and retirement benefits allowable on payment basis	6.14	(6.14)	-	-	-
- Unabsorbed depreciation under tax book	43.88	(43.88)	-	-	-
- Others	9.06	(9.06)	-	-	-
Total deferred tax assets	**374.95**	**(369.67)**	**(5.28)**	**-**	**-**
Net deferred tax asset/(liabilities)	**16.92**	**(11.64)**	**(109.65)**	**-**	**(104.37)**

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

(₹ in crores)

Particulars	As at April 01, 2023	Through profit and loss	Through other comprehensive income	As at March 31, 2024
Deferred tax liabilities :				
- Fair Valuation of financial assets measured at FVTOCI and FVTPL	183.38	58.08	(7.32)	234.14
- Income to be taxed on actual receipt basis	77.51	6.30	-	83.81
- Sourcing commission claimed on incurrence basis	40.78	(0.70)	-	40.08
Total deferred tax liabilities	**301.67**	**63.68**	**(7.32)**	**358.03**
Deferred tax asset :				
- Property, plant & equipment & Intangible assets- Accumulated depreciation/Amorti	8.22	4.20	-	12.42
- Expenses deductible in future years:				
Provisions for impairment allowances on financial assets	459.75	(156.30)	-	303.45
Compensated absences and retirement benefits allowable on payment basis	5.09	1.05	-	6.14
- Unabsorbed depreciation under tax book	-	43.88	-	43.88
- Others	(3.48)	4.79	7.75	9.06
Total deferred tax assets	**469.58**	**(102.38)**	**7.75**	**374.95**
Net deferred tax asset/(liabilities)	**167.91**	**(166.06)**	**15.07**	**16.92**

d) **Amounts recognised directly in equity**

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

e) **Tax losses**

As at March 31, 2025, unrecognized deferred tax assets amount to ₹ 7.22 crores (As at March 31, 2024 - ₹ 11.07 crores) and ₹ 306.56 crores (As at March 31, 2024 - ₹ 827.22 crores) which can be carried forward indefinitely and up to a specified period, respectively. These relate primarily to business losses, depreciation carry forwards and other deductible temporary differences. The deferred tax asset has not been recognized on the basis that its recovery is not probable in the foreseeable future.

Unrecognized deferred tax assets expire unutilized based on the year of origination as follows:

March 31,	₹ in crores
2026	18.00
2027	14.23
2028	8.18
2029	34.19
2030	27.16
2031	63.43
2032	67.22
2033	74.15
Total	**306.56**

13 Property, plant and equipment

(₹ in crores)

	Particulars	Gross Block					Accumulated Depreciation						Net Block
		Balance as at April 1, 2024	Additions	Deletions	Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	Balance as at March 31, 2025	Balance as at April 1, 2024	Depreciation for the year	Deletions	Impairment	Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	Balance as at March 31, 2025	Balance as at March 31, 2025
(a)	Building	24.02	-	-	(0.91)	23.11	5.49	0.36	-	-	(0.10)	5.75	17.36
(b)	Data processing machines	26.08	-	-	(21.57)	4.51	14.07	-	-	-	(9.56)	4.51	-
(c)	Furniture and fixtures	32.30	-	(0.46)	(4.51)	27.33	28.82	0.00	(0.44)	-	(1.26)	27.12	0.21
(d)	Vehicles	21.52	-	-	(21.00)	0.52	4.53	-	-	-	(4.01)	0.52	-
(e)	Office equipments	22.10	-	-	(9.56)	12.54	16.03	-	-	-	(3.67)	12.36	0.18
(f)	Right of Use Assets	117.48	-	-	(100.37)	17.11	46.52	-	-	-	(29.43)	17.09	0.02
(g)	Vehicles - given on lease	234.87	57.18	(106.89)	-	185.16	107.18	40.20	(78.53)	32.00	-	100.85	84.31
(h)	Leasehold improvements	4.49	-	-	(3.84)	0.65	2.30	-	-	-	(1.65)	0.65	-
	Total	**482.86**	**57.18**	**(107.35)**	**(161.76)**	**270.93**	**224.94**	**40.56**	**(78.97)**	**32.00**	**(49.68)**	**168.85**	**102.08**

(₹ in crores)

	Particulars	Gross Block				Accumulated Depreciation				Net Block
		Balance as at April 1, 2023	Additions	Deletions	Balance as at March 31, 2024	Balance as at April 1, 2023	Depreciation for the year	Deletions	Balance as at March 31, 2024	Balance as at March 31, 2024
(a)	Building (Refer notes below)	24.02	-	-	24.02	5.08	0.41	-	5.49	18.53
(b)	Data processing machines	18.85	11.08	(3.85)	26.08	12.01	5.70	(3.64)	14.07	12.01
(c)	Furniture and fixtures	39.12	0.86	(7.68)	32.30	35.40	0.66	(7.24)	28.82	3.48
(d)	Vehicles	7.67	17.01	(3.16)	21.52	3.06	3.33	(1.86)	4.53	16.99
(e)	Office equipments	24.12	3.85	(5.87)	22.10	20.20	1.40	(5.57)	16.03	6.07
(f)	Right of Use Assets	108.96	15.39	(6.87)	117.48	33.66	16.84	(3.98)	46.52	70.96
(g)	Vehicles - given on lease	198.54	71.37	(35.04)	234.87	93.26	37.67	(23.75)	107.18	127.69
(h)	Leasehold improvements	4.10	0.39	-	4.49	1.39	0.91	-	2.30	2.19
	Total	**425.38**	**119.95**	**(62.47)**	**482.86**	**204.06**	**66.92**	**(46.04)**	**224.94**	**257.92**

Note 1 : Building includes nominal value of investment in Sim Tools Private Limited

Note 2 : Building includes ₹ 1,000/- being value of investment in 20 shares of ₹ 50/- each in Nilgiri Upvan Co-operative Housing Society Limited.

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

14A Goodwill

(₹ in crores)

Particulars	As at Mar 31 2025	As at March 31 2024
Balance as at April 1,	**205.19**	**205.19**
Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	(205.19)	-
Balance as at March 31,	**-**	**205.19**
Accumalated amortisation as at April 1,	-	-
Amortisation for the year	-	-
Accumalated amortisation as at March 31,	-	-
Net carrying amount as at March 31,	**-**	**205.19**

14B Intangible Assets

(₹ in crores)

Particulars	Gross Block					Accumulated Amortisation						Net Block
	Balance as at April 1, 2024	Additions	Deletions	Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	Balance as at March 31, 2025	Balance as at April 1, 2024	Amortisation during the year	Deletions	Impairment	Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	Balance as at March 31, 2025	Balance as at March 31, 2025
Computer Software	36.55	0.40	-	(13.15)	23.80	29.30	0.07	-		(5.91)	23.46	0.33
Net carrying amount as at March	**36.55**	**0.40**	**-**	**(13.15)**	**23.80**	**29.30**	**0.07**	**-**	**-**	**(5.91)**	**23.46**	**0.33**

(₹ in crores)

Particulars	Gross Block				Accumulated Amortisation				Net Block
	Balance as at April 1, 2023	Additions	Deletions	Balance as at March 31, 2024	Balance as at April 1, 2023	Amortisation during the year	Deletions	Balance as at March 31, 2024	Balance as at March 31, 2024
Computer Software	29.29	7.25	-	36.55	27.05	2.26	-	29.30	7.24
Net carrying amount as at March	**29.29**	**7.25**	**-**	**36.55**	**27.05**	**2.26**	**-**	**29.30**	**7.24**

15 Other non-financial assets

(₹ in crores)

	Particulars	As at March 31 2025	As at March 31 2024
(a)	Capital advances	0.04	16.22
(b)	Deposits with statutory authorities (Net of provision March 31, 2025 ₹ nil ; March 31, 2024 ₹ 0.42 crores)	0.04	2.94
(c)	Deposits paid under protest	1.71	13.09
(d)	Prepaid expenses	0.06	40.19
(e)	Taxes recoverable and dues from government (Net of provision March 31, 2025 ₹ nil ; March 31, 2024 ₹ 3.04 crores)	19.01	111.49
(f)	Stamp papers	-	12.59
(g)	Others non-financial assets (Net of provision March 31, 2025 ₹ nil ; March 31, 2024 ₹ 2.17 crores)	0.04	26.19
	Total	**20.90**	**222.71**

16 Derivative financial instruments

The Group do not have derivative financial instruments as at March 31, 2025.

Derivative financial instruments as at March 31, 2024

(₹ in crores)

Particulars	Notional Amounts	Fair Value Assets	Notional Amounts	Fair Value Liabilities
Currency derivatives				
Forward exchange contracts			1,831.18	4.91
Currency Swaps				
Subtotal		-	1,831.18	4.91
Interest rate derivatives				
Interest Rate Swaps	1,831.18	13.42		
Subtotal	1,831.18	13.42	-	-
Other derivatives				
Cross currency interest rate swaps	538.96	89.02		
Subtotal	538.96	89.02	-	-
Total Derivative Financial Instruments	2,370.14	102.44	1,831.18	4.91
Derivative designated as hedge				
Cash flow hedging:				
Forward exchange contracts			1,831.18	4.91
Cross currency interest rate swaps	538.96	89.02		
Interest rate swaps	1,831.18	13.42		
Subtotal	2,370.14	102.44	1,831.18	4.91
Total Derivative Financial Instruments	2,370.14	102.44	1,831.18	4.91

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

17 Payables

(₹ in crores)

	Particulars	As at March 31 2025	As at March 31 2024
(a)	**Trade Payables**		
	(i) total outstanding dues of micro enterprises and small enterprises	0.17	13.19
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.66	267.44
	Total (A)	0.83	280.63
(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	0.05	110.84
	Total (B)	0.05	110.84
	Total (A+B)	0.88	391.47

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 Group has amounts due to micro and small enterprises under the said Act as at March 31, 2025 and 2024 as follows :

(₹ in crores)

	Particulars	As at March 31 2025	As at March 31 2024
(a)	Principal amount due	0.17	13.19
(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	-	-

17 Payables

Trade Payables aging schedule

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

(₹ in crores)

	Particulars	As at March 31, 2025						
		Not due	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i)	MSME	0.16	-	0.01	-	-	-	0.17
(ii)	Others	0.46	-	0.20	-	-	-	0.66
(iii)	Disputed dues – MSME	-	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-	-
	Total	0.62	-	0.21	-	-	-	0.83

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

(₹ in crores)

	Particulars	As at March 31, 2024						
		Not due	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i)	MSME	11.55	-	1.64	-	-	-	13.19
(ii)	Others	160.20	35.90	62.84	2.43	3.84	2.23	267.44
(iii)	Disputed dues – MSME	-	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-	-
	Total	171.75	35.90	64.48	2.43	3.84	2.23	280.63

18 Debt securities (at amortised cost)

(₹ in crores)

	Particulars	As at March 31 2025	As at March 31 2024
(a)	Privately placed non-convertible debentures		
	Unsecured	1,116.08	5,299.38
(b)	Commercial Paper		
	Unsecured	-	1,968.99
	(net of unamortised discounting charges and borrowing cost of ₹ nil ; March 31, 2024 ₹ 56.00 crores)		
	Total (A)	**1,116.08**	**7,268.37**
i.	Debt securities in India	1,116.08	7,268.37
ii.	Debt securities outside India	-	-
	Total (B)	**1,116.08**	**7,268.37**

Details of non cumulative debentures (unsecured)

(₹ in crores)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Issued on private placement basis				
Repayable on Maturity:				
Maturing within 1 Year	7.69%	389.32	7.02% to 10.54%	3,515.02
Maturing between 1 year to 3 Years	8.53%	831.33	7.69% to 8.53%	2,186.97
Maturing between 3 Years to 5 Years		-		-
Total Face Value		**1,220.65**		**5,701.99**
Less: Unamortised borrowing cost		104.57		402.61
Total Amortised cost		**1,116.08**		**5,299.38**

Details of commercial papers (unsecured)

(₹ in crores)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Interest Rate	Amount	Interest Rate	Amount
Repayable on Maturity:				
Maturing within 1 Year		-	8.32% to 8.50%	2,025.00
Total Face Value		-		**2,025.00**
Less: Unamortised discounting charges		-		56.01
Total Amortised cost		-		**1,968.99**

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Notes forming part of Consolidated Financial Statements for the year ended March 31, 2025

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

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
(a) Term loans from banks		
(i) Secured	-	19,826.74
(ii) Unsecured	-	2,463.72
(b) Inter corporate deposits from related parties (unsecured)	2,145.00	-
(c) Loans repayable on demand from banks		
(i) Secured (refer note i)	-	2,740.00
(ii) Unsecured	-	174.90
(d) Cash credit from banks (secured) (refer note i)	-	143.03
Total (A)	2,145.00	25,348.39
i. Borrowings in India	2,145.00	22,867.94
ii. Borrowings outside India	-	2,480.45
Total (B)	2,145.00	25,348.39

Note

(i) Nature of Security for secured term loans from banks:
Secured term loans from banks are secured by a pari-passu charge in favour of the security trustee on:
a) All receivables of the Group arising out of loan, lease transactions and trade advances.
b) All other book debts.
c) Receivables from factoring in which Group has invested.
d) Such other current assets as may be identified by the Group from time to time and accepted by the security trustee.

(ii) The borrowings have not been guaranteed by directors or others. Also the Group has not defaulted in repayment of principal and interest.

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

Details of term loans from banks (secured)

(₹ in crores)

	Particulars	As at March 31, 2025 Interest Rate Range	As at March 31, 2025 Amount	As at March 31, 2024 Interest Rate Range	As at March 31, 2024 Amount
1	**Repayable on Maturity:**				
	Maturing within 1 Year			7.40% to 9.11%	2,005.00
	Maturing between 1 year to 3 Years			8.79% to 8.79%	200.00
	Maturing between 3 Years to 5 Years				
	Total repayable on maturiy (A)		-		2,205.00
2	**Repayable in Installments:**				
i.	**On quarterly basis**				
	Maturing within 1 Year			8.25% to 9.80%	3,695.80
	Maturing between 1 year to 3 Years			8.25% to 9.40%	4,496.44
	Maturing between 3 Years to 5 Years			8.25% to 9.10%	1,414.06
	Subtotal (B)		-		9,606.30
ii.	**On half yearly basis**				
	Maturing within 1 Year			8.50% to 9.85%	909.45
	Maturing between 1 year to 3 Years			8.50% to 9.10%	2,842.91
	Maturing between 3 Years to 5 Years			8.50% to 8.85%	1,289.52
	Subtotal (C)		-		5,041.88
iii.	**On yearly basis**				
	Maturing within 1 Year			7.85% to 9.05%	200.00
	Maturing between 1 year to 3 Years			9.05% to 9.05%	200.00
	Maturing between 3 Years to 5 Years			9.05% to 9.05%	100.00
	Subtotal (D)		-		500.00
	Total repayable on installments (E = B+C+D)		-		15,148.18
	Total term loans as per contractual terms (F = A+E)		-		17,353.18
	Less: Unamortised borrowing costs		-		6.89
	Total Amortised cost (G)		-		17,346.29

Details of external commercial borrowings (USD)

(₹ in crores)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Interest Rate Range (Refer note)	Amount	Interest Rate Range (Refer note)	Amount
Repayable on Maturity:				
Maturing within 1 Year			9.04% to 9.17%	833.81
Maturing between 1 year to 3 Years			8.62% to 8.78%	1,650.88
Maturing between 3 Years to 5 Years				
Total repayable on maturiy		-		2,484.69
Less: Unamortised borrowing costs				4.24
Total Amortised cost (H)		-		2,480.45
Grand Total (I=G+H)		-		19,826.74

Details of term loans from banks (unsecured)

(₹ in crores)

	Particulars	As at March 31, 2025		As at March 31, 2024	
		Interest Rate Range	Amount	Interest Rate Range	Amount
1	**Repayable on Maturity:**				
	Maturing within 1 Year			7.90% to 8.90%	210.00
	Maturing between 1 year to 3 Years				-
	Maturing between 3 Years to 5 Years			8.80% to 8.90%	400.00
	Total repayable on maturiy (A)		-		610.00
2	**Repayable in Installments:**				
i.	**On quarterly basis**				
	Maturing within 1 Year			9.05%	62.50
	Maturing between 1 year to 3 Years			9.05%	125.00
	Maturing between 3 Years to 5 Years				-
	Subtotal (B)		-		187.50
ii.	**On half yearly basis**				
	Maturing within 1 Year			8.80% to 9.20%	666.67
	Maturing between 1 year to 3 Years			8.80% to 8.80%	250.00
	Maturing between 3 Years to 5 Years				-
	Subtotal (C)		-		916.67
iii.	**On yearly basis**				
	Maturing within 1 Year		-	8.70% to 8.95%	750.00
	Maturing between 1 year to 3 Years		-		-
	Maturing between 3 Years to 5 Years		-		-
	Subtotal (D)		-		750.00
	Total repayable on installments (E = B+C+D)		-		1,854.17
	Total term loans as per contractual terms (G = A+F)		-		2,464.17
	Less: Unamortised borrowing costs				0.45
	Total Amortised cost		-		2,463.72

Details of loans repayable on demand from banks (secured)

(₹ in crores)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Maturing within 1 Year			7.70% to 8.50%	2,740.00
Total		-		2,740.00
Less: Unamortised borrowing costs		-		-
Net		-		2,740.00

Details of loans repayable on demand from banks (unsecured)

(₹ in crores)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Maturing within 1 Year			8.08% to 8.08%	174.90
Maturing between 1 year to 3 Years	-	-		
Total		-		174.90
Less: Unamortised borrowing costs		-		-
Net		-		174.90

Details of cash credit facilities (secured)

(₹ in crores)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Maturing within 1 Year		-	8.90% to 9.05%	1,43.03
Maturing between 1 year to 3 Years		-		-
Maturing between 3 Years to 5 Years		-		-
Total		-		143.03
Less: Unamortised borrowing costs		-		-
Net		-		143.03

Details of Inter corporate deposits from related parties (unsecured)

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Notes forming part of Consolidated Financial Statements for the year ended March 31, 2025

(₹ in crores)

Particulars	As at March 31, 2025 Interest Rate Range	Amount	As at March 31, 2024 Interest Rate Range	Amount
Repayable on Maturity:				
Maturing within 1 Year	8.25% to 8.92%	2,145.00		-
Maturing between 1 year to 3 Years		-		-
Maturing between 3 Years to 5 Years		-		-
Total		2,145.00		-
Less: Unamortised borrowing costs		-		-
Net		2,145.00		-

20 **Subordinated Liabilities (at amortised cost)**

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
(a) Perpetual Debt Instruments to the extent that do not qualify as equity (unsecured)	-	50.10
(b) Privately placed subordinated unsecured redeemable, non-convertible debentures	-	434.38
Total (A)	-	484.48
i. Debt securities in India	-	484.48
ii. Debt securities outside India	-	-
Total (B)	-	484.48

Particulars	As at March 31, 2025 ₹ in crores	Face Value (₹)	As at March 31, 2024 ₹ in crores	Face Value (₹)
11.03% TMFL Perpetual "A" FY 2013-14	-	-	-	-
11.33% TMFL Perpetual "B" FY 2013-14	-	-	-	-
11.10% TMFL Perpetual "A" FY 2014-15	-	-	50.30	10,00,000.00
	-		50.30	
Less : Unamortised Borrowing Cost			0.20	
Total	-		50.10	

*Redemption period is not applicable as the NCDs are perpetual. The Group has a call option which can be exercised, after the prior approval of the Reserve Bank of India, at the expiry of 10 years from the date of allotment and at the end of every month thereafter. In case of non-exercise of the option at the expiry of 10 years from the date of allotment, coupon rate will be increased as per the terms of relevant offer document.

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

(₹ in crores)

Particulars	As at March 31, 2025 Interest Rate Range	Amount	As at March 31, 2024 Interest Rate Range	Amount
Issued on private placement basis				
Repayable on Maturity:		-	9.70% to 10.60%	235.00
Maturing within 1 Year		-		-
Maturing between 1 year to 3 Years		-	8.35% to 10.00%	200.00
Maturing between 3 Years to 5 Years		-		-
Maturing beyond 5 Years		-		435.00
Total Face Value		-		0.62
Less: Unamortised borrowing cost		-		434.38
Total Amortised cost				

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Notes forming part of Consolidated Financial Statements for the year ended March 31, 2025

21 Other financials liabilities

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
(a) Interest accrued on borrowings	-	145.88
(b) Interest payable on others	26.04	26.04
(c) Lease liability for right of use assets	-	81.68
(d) Payable for assigned receivables	-	437.31
(e) Deposits	16.18	20.14
(f) Others	-	473.33
Total	42.22	1,184.38

22 Provisions

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
(a) Provision for leave encashment	0.02	11.21
(b) Provision for gratuity	-	7.52
(c) Provision for indirect taxes	0.01	68.92
(d) Provision for consumer disputes	-	11.19
(e) Provision for expenses	0.07	12.09
Total	0.10	110.93

23 Other non-financial liabilities

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
Statutory dues	5.42	54.91
Others	0.37	19.71
Total	5.79	74.62

24A Equity Share Capital

(₹ in crores)

	Particulars	As at March 31 2025		As at March 31 2024	
		No. of shares	₹	No. of shares	₹
A	Authorised				
	Equity Shares of Rs.10 each with voting rights	3,00,00,00,000	3,000.00	2,50,00,00,000	2,500.00
			3,000.00		2,500.00
	Preference shares of ₹ 100 each	7,50,00,000.00	750.00	7,50,00,000.00	750.00
			750.00		750.00
B	Issued, Subscribed and Fully Paid up				
	Equity shares of Rs. 10 each	1,74,15,93,442	1,741.59	1,74,15,93,442	1,741.59
	Total		1,741.59		1,741.59

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

(₹ in crores)

	Particulars	As at March 31 2025		As at March 31 2024	
		No. of shares	₹	No. of shares	₹
(a)	Shares outstanding at the beginning of the year	1,74,15,93,442	1,741.59	1,74,15,93,442	1,741.59
	Shares outstanding at the end of the year	1,74,15,93,442	1,741.59	1,74,15,93,442	1,741.59

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

Particulars	As at March 31 2025		As at March 31 2024	
	No. of shares	% of Issued Share Capital	No. of shares	% of Issued Share Capital
Equity shares with voting rights				
Tata Motors Limited	1,74,15,93,442	100%	1,74,15,93,442	100%

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

Particulars	As at March 31 2025		As at March 31 2024	
	No. of shares	% of Issued Share Capital	No. of shares	% of Issued Share Capital
Equity Share with voting rights				
Tata Motors Limited	1,74,15,93,442	100%	1,74,15,93,442	100%

d) **Terms / rights attached to equity shares:**

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

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

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

f) **Dividends not recognised at the end of the reporting year**

The Company has not declared dividends during the financial year ended March 31, 2025 and March 31, 2024

24B Instruments entirely equity in nature	As at March 31 2025		As at March 31 2024	
	Number	(₹ in crores)	Number	(₹ in crores)
Balance as at beginning of the year	18,000	1,800.00	18,000	1,800.00
Increase during the year	-	-	-	-
Balance as at end of the year	**18,000**	**1,800.00**	**18,000**	**1,800.00**

Details of instruments entirely equity in nature held by :

Particulars	As at March 31 2025		As at March 31 2024	
	Number	₹	Number	₹
Others	13,000	1,300.00	18,000	1,800.00
Tata Motors Limited	5,000	500.00	-	-
Total	**18,000**	**1,800.00**	**18,000**	**1,800.00**

The Company has issued 18,000 subordinated, listed, unsecured, rated perpetual securities of face value of ₹ 10 lakhs each aggregating to ₹ 1800.00 crores. 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 has written put option to purchase these instruments from the investors on respective option exercise dates as specified below:

Options Exercisable Date	Amount (₹ in crores)	Status of Options Exercised by Tata Motors Limited
11th August, 2024	195	Exercised
18th August, 2024	305	Exercised
04th November, 2025	100	Not due
27th November, 2025	100	Not due
2nd December, 2025	150	Not due
30th December, 2025	150	Not due
15th September, 2026	100	Not due
28th September, 2026	100	Not due
30th September, 2026	150	Not due
30th June, 2027	200	Not due
30th September, 2027	250	Not due

24C (I) Other components of equity

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

(₹ in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	178.54	144.65
Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	(178.54)	-
Other comprehensive income for the year	-	33.89
Balance at the end of the year	-	178.54

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

(₹ in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	16.41	21.96
Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	(16.41)	-
Gain/(loss) recognised on cash flow hedges	-	(5.55)
Balance at the end of the year	-	16.41

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

(₹ in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	15.05	(6.36)
Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	(15.05)	-
Gain/(loss) recognised on cash flow hedges - Gain/(Loss)	-	21.41
Balance at the end of the year	-	15.05

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

(₹ in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	325.71	381.35
Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	(325.71)	-
Gain/(loss) on fair value of debt instruments (net of ECL and tax effects)	-	(55.64)
Balance at the end of the year	-	325.71

(5) Summary of other components of equity :-

(₹ in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Equity instruments through other comprehensive income	-	178.54
Hedging Reserve	-	16.41
Cost of hedging reserve	-	15.05
Debt instruments through other comprehensive income	-	325.71
Total	-	535.71

(II) Notes to reserves

a) **Special reserve**

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

b) **Capital redemption reserve**

The Indian Companies Act, 2013 (the "Companies Act") requires that where a company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve account and details of such transfer shall be disclosed in the balance sheet. The capital redemption reserve account may be applied by the company, in paying up unissued shares of the company to be issued to shareholders of the Company as fully paid bonus shares.

c) **Securities Premium Account**

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

d) **Capital Reserve**

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

e) **General reserve**

The Group has transferred a portion of net profit of the Company before declaring dividend to General Reserve pursuant to the earlier provision of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

f) **Retained earnings**

Retained earnings are the profits/ (losses) that the Group has earned/ incurred till date.

g) **Equity Instrument through OCI**

It represents the cumulative gains/(losses) arising on the revaluation of Equity Shares measured at fair value through OCI.

h) **Hedging Reserve through OCI**

It represents the effective portion of the fair value of forward contracts, designated as cash flow hedge.

(i) **Cost of hedge reserve**

Fair value gain/(loss) attributable to cost of hedge on all financials instruments designated in cash flow hedge relationship are accumulated in cost of hedge reserve.

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Notes forming part of Consolidated Financial Statements for the year ended March 31, 2025

25 Interest Income

(₹ in crores)

	Particulars	For the year ended March 31 2025	For the year ended March 31 2024
	On Financial Assets measured at Amortised Cost		
(a)	Interest on loans	1.90	30.39
(b)	Interest income from investments	58.13	-
(c)	Interest on deposits with banks	5.19	8.41
(d)	Other interest income	1.21	2.98
	Total	66.43	41.78

26 Net gain on fair value changes

(₹ in crores)

	Particulars	For the year ended March 31 2025	For the year ended March 31 2024
(a)	Net gain on financial instruments at fair value through profit or loss	11.17	13.77
	Total	11.17	13.77
	Fair value changes:		
(a)	Realised	11.05	13.77
(b)	Unrealised	0.12	-
	Total	11.17	13.77

27 Fees and commission income

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Other fees & charges	0.03	0.02
Total	0.03	0.02

28 Other Income

(₹ in crores)

	Particulars	For the year ended March 31 2025	For the year ended March 31 2024
(a)	Support services income	-	25.50
(b)	Balances written back	0.10	0.11
(c)	Net gain on derecognition of property, plant and equipment	1.61	0.01
(d)	Miscellaneous income	6.09	4.51
	Total	7.80	30.13

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

(₹ in crores)

	Particulars	For the year ended March 31 2025	For the year ended March 31 2024
(a)	Interest on borrowings	49.81	2.82
(b)	Interest on debt securities	219.00	282.68
(c)	Interest on subordinated liabilities	-	(58.17)
(d)	Other finance charges	-	0.01
	Total	268.81	227.34

30 Impairment/ (reversal of impairment) on financial instruments

(₹ in crores)

	Particulars	For the year ended March 31 2025	For the year ended March 31 2024
	Loans (at amortised cost)		
(a)	Allowance for loan losses	(3.00)	(1.61)
(b)	Loans written off (net of recoveries of ₹ 4.54 crores for the year ended March 31, 2025; ₹ 158.20 crores for year ended March 31, 2024)	(4.25)	-
	Investments (at amortised cost)		
(a)	Allowance for investments	-	(11.01)
(b)	Investments written off	-	11.01
	Other financial assets		
(a)	Allowance for doubtful assets	(0.99)	1.26
(b)	Balances written off	0.02	0.68
	Total	(8.22)	0.33

31 Employee Benefits Expenses

(₹ in crores)

	Particulars	For the year ended March 31 2025	For the year ended March 31 2024
(a)	Salaries	0.27	0.71
(b)	Contribution to provident and other funds	0.02	0.04
	Total	0.29	0.75

32 Other expenses

(₹ in crores)

	Particulars	For the year ended March 31 2025	For the year ended March 31 2024
(a)	Rent, taxes and energy costs	0.16	38.72
(b)	Repairs and maintenance	0.38	0.35
(c)	Printing and stationery	-	0.01
(d)	Advertisement and publicity	0.01	0.01
(e)	Director's fees, allowances and expenses	0.57	0.46
(f)	Auditor's fees and expenses (refer note (i))	0.36	0.52
(g)	Legal and Professional charges	2.30	1.70
(h)	Insurance	0.04	0.05
(i)	Cenvat credit reversal	0.32	0.29
(j)	Service Provider Fees	1.92	1.70
(k)	Net loss on derecognition of property, plant and equipment	15.14	4.77
(l)	Travelling and Conveyance	-	0.04
(m)	Others expenses	0.13	0.26
	Total	21.33	48.88

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

(₹ in crores)

	Particulars	For the year ended March 31 2025	For the year ended March 31 2024
(a)	As auditors - statutory audit	0.24	1.23
(b)	Tax audit	0.03	0.26
(c)	For other services	0.07	0.16
(d)	Reimbursement of out of pocket expenses	0.02	0.09
	Total	0.36	1.74

33 **Earnings per share**

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

Diluted EPS is calculated by dividing the net profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.
The following table sets forth, for the years indicated, the computation of earnings per share.

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Basic		
Basic earnings per share (₹) from continuing operations	(2.12)	(2.75)
Basic earnings per share (₹) from discontinued operations	22.79	0.30
Net profit attributable to equity share holders from continuing operations (refer note 1)	(369.18)	(478.69)
Net profit attributable to equity share holders from discontinued operations	3,968.96	51.84
Weighted average no. of equity shares outstanding	1,74,15,93,442	1,74,15,93,442
Diluted		
Diluted earnings per share (₹) from continuing operations	(2.12)	(2.75)
Diluted earnings per share (₹) from discontinued operations	22.79	0.30
Net profit attributable to equity share holders from continuing operations (refer note 1)	(369.18)	(478.69)
Net profit attributable to equity share holders from discontinued operations	3,968.96	51.84
Weighted average no. of equity shares outstanding	1,74,15,93,442	1,74,15,93,442
Face value per share (₹)	10.00	10.00
Note 1 - Calculation of net profit attributable to equity share holders		
Profit after tax as per statement of profit and loss	(225.83)	(168.83)
Less - Distribution made to holders of perpetual instruments	(143.35)	(309.86)
Net profit/ (Loss) attributable to equity share holders	(369.18)	(478.69)

34 **Segment reporting**

The Group primarily operates in one reportable segment of financing and hence there are no separate reportable operating segments to be reported as per the IndAS 108 - Segment Reporting.

35 **Contingent liabilities and commitments :-**
1 **Contingent liabilities to the extent not provided for:**
A **Claims against the group not acknowledged as debts:**

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
In respect of consumer disputes	-	25.76
Total	-	25.76

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

B **Bank guarantee for which the Group is contingently liable:**

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
In respect of guarantees given by banks for Income tax matters	-	99.00

2 **Commitments:**
A **Capital commitments**
Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ nil (as at March 31, 2024: ₹ 15.27 crores)
B **Other commitments**
a) Loan commitment towards vehicle financing ₹ 294.35 crores (as at March 31, 2024: ₹ 1904.25 crores)

36 Employee benefit

a) Super annuation plan

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

On account of the above contribution plans, a sum of ₹ nil (previous year ₹ 0.96 crores) has been recognised in the Consolidated Statement of Profit and Loss.

Gratuity plan

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

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

a) Changes in defined benefit obligations

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
Defined benefit obligation, beginning of the year	53.31	51.91
Current service cost	-	4.76
Interest cost	-	3.37
Remeasurement (gains) / losses	-	-
Actuarial (gain) /losses arising from change in financial assumptions	-	0.60
Actuarial (gain) /losses arising from change in demographic assumptions	-	(0.62)
Actuarial (gain) /losses arising from change in experience adjustments	-	3.39
Benefits paid from plan assets	-	(10.11)
Benefits paid directly by the employer	-	-
Transfer on account of Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	(53.31)	-
Defined benefit obligation, end of the year	**-**	**53.31**

b) Changes in plan assets

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
Fair value of plan assets, beginning of the year	45.79	51.90
Interest Income on plan assets	-	3.39
Remeasurement (gains) / losses	-	-
Return on plan assets, (excluding amount included in net interest expense)	-	0.03
Employer's contribution	-	0.58
Benefits paid	-	(10.11)
Transfer on account of Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	(45.79)	-
Fair value of plan assets, end of the year	**-**	**45.79**

c) Amount recognised in balance sheet consist off

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
Present value of defined benefit obligation	-	(53.31)
Fair value of plan assets	-	45.79
Net (Liability) / Assets	**-**	**(7.52)**

d) Amount recognised in the Statement of Profit and Loss (including discontinued operations):

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
Current Service Cost	-	4.76
Interest on Defined Benefit Obligations (Net)	-	(0.02)
Net Charge to the Statement of Profit and Loss	**-**	**4.74**

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

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in interest expense/income	-	(0.03)
Actuarial gains/(losses) arising from changes in demographic assumptions	-	(0.62)
Actuarial gains/(losses) arising from changes in financial assumptions	-	0.60
Actuarial gains/(losses) arising from changes in experience adjustments on plan liabilities	-	3.39
Net impact on the other comprehensive income before tax	-	3.34

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

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
Asset Category		
Insurer managed funds		
- Insurer Managed Funds (unquoted)	-	100%

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

g) The assumptions used in accounting for the gratuity plans are set out below:

Particulars	As at March 31 2025	As at March 31 2024
Discount rate	NA	7.00%
Expected return on plan assets	NA	7.20%
Salary Escalation rate	NA	7.00%
Mortality Tables	NA	Indian Assured Lives mortality (2006-08) Ult

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

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

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

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
Within next 12 months (next annual reporting period)	-	5.83
Between 1 and 5 years	-	31.44
Between 5 and 9 years	-	42.27
10 years and above	-	-

i) Quantitative sensitivity analysis for significant assumptions:

(₹ in crores)

Particulars	As at March 31 2025	As at March 31 2024
100 bps increase in discount rate	-	(2.89)
100 bps decrease in discount rate	-	3.21
100 bps increase in salary escalation rate	-	3.17
100 bps decrease in salary escalation rate	-	(2.91)

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

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

j) **Weighted Average Duration of Defined Benefit obligation:**

Particulars	As at March 31 2025	As at March 31 2024
The weighted average duration of the defined benefit obligation	NA	5.81 years

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

(₹ in crores)

Particulars	As at March 31 2025
The Group expected contribution to the funded gratuity plans in FY 2024-25	-

l) **Risk Exposure**

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

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

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

37 Related party disclosures

(A) Related parties and their relationship

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

(II) Subsidiaries
TMF Business Services Limited
Tata Motors Finance Limited (upto March 31, 2024) (Refer note 48)

(III) Joint ventures
Loginomic Tech Solutions Private limited

(IV) Other related parties with whom transactions have taken place

(i) Fellow subsidiaries, associates and Joint arrangements within the Group
Tata Motors Global Services Limited (formerly known as TML Business Services Limited)
Tata Technologies Limited
Jaguar Land Rover Technology and Business Services India Private 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 Benefit Plans
TMF Business Services Limited (Formerly known as Tata Motors Finance Limited Employees Gratuity Trust)

(iv) Key Management personnel :
Mr. Nasser Munjee, Independent Director and Chairman
Mrs. Varsha Purandare - Independent Director
Mr. N. V. Sivakumar - Independent Director
Mr. P. S. Jayakumar, Independent Director (upto November 7, 2023)
Mr. Dhiman Gupta - Non-Executive Director (upto December 23, 2024)
Mr. Amit Mittal – Chief Financial Officer (from December 1, 2024 to April 15, 2025)
Mr. Mohit Agarwal – Chief Financial Officer (w.e.f April 15, 2025)
Mr. Vinay Lavannis - Company Secretary (upto March 31, 2025)
Mr. Anand Bang, Manager
Mr. Neeraj Dwivedi – Company Secretary (w.e.f. April 1, 2025)

(B) Transactions/Balances with Related parties
The following table summarizes related-party transactions for the year ended and balances as at March 31, 2025

(₹ in crores)

Transactions	Holding Company	Other Related parties	Total
a) Transactions during the year			
Rent income	0.05	2.38	2.43
Interest income on channel financing / Loan / bonds	-	1.90	1.90
Expenses for support services (incl. reimbursement of expenses)	0.10	0.95	1.05
Loans and advances recovered	-	365.56	365.56
Inter corporate deposits recovered	118.00	-	118.00
Interest income on inter corporate deposits placed	1.21	-	1.21
Exercise of put option on Hybrid perpetual bonds	500.00	-	500.00
Interest expense on inter corporate deposits accepted	49.26	-	49.26
Inter corporate deposits accepted	2,940.00	-	2,940.00
Inter corporate deposits repaid	795.00	-	795.00
b) Balances as at			
Amount payable in respect of inter corporate deposits	2,145.00	-	2,145.00
Amount receivable others	-	2.66	2.66
Amount payable others	0.22	0.60	0.82

37 Related party disclosures

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

(₹ in crores)

Transactions	Holding Company	Other Related parties	Total
a) Transactions during the year			
Purchase of receivable	2,105.77	404.06	2,509.83
Loans and advances given	618.00	5,593.94	6,211.94
Factoring transaction	0.14	-	0.14
Recoveries from employee benefit trust	-	8.12	8.12
Loans and advances recovered	500.00	6,061.55	6,561.55
Expenses for other services (incl. reimbursement of expenses)	1.43	40.12	41.55
Rent Expenses	0.11	-	0.11
Other Expenses	-	0.15	0.15
Income related to financing activities	0.01	-	0.01
Interest income from assets given on finance lease	3.02	1.57	4.59
Dividend income	-	10.57	10.57
Rent Income	-	3.63	3.63
Other Income	0.36	-	0.36
Interest income on loans and investments	6.77	0.26	7.03
Service charges income	0.39	-	0.39
Interest income on channel financing / Loan	-	30.39	30.39
Short-term advances	409.23	643.54	1,052.77
Short-term advances refunded back	409.28	635.49	1,044.77
b) Balances as at			
Receivable - loans and Advances	118.02	365.55	483.57
Other Receivables	109.78	40.64	150.42
Accrued Interest income - Finance lease	0.28	0.14	0.42
Other Payables	0.74	13.84	14.58

37 **Related party disclosures**

Key management personnel remuneration

(₹ in crores)

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Short term employee benefits (refer note below)	0.31	12.26

Note:

1) Expenses towards provision for gratuity and leave encashment which are determined actuarial basis at an overall Company level are not included in the above information.

2) Includes sitting fees paid to non-executive directors is ₹ 0.31 crores and ₹ 3.34 crores for the year ended March 31, 2025 and 2024, respectively.

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

38 Fair value measurements

Financial Instruments by categories

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

(₹ in crores)

Financial assets	Amortised cost	FVTOCI	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Total carrying value
Investments	600.00	-	61.14	-	-	661.14
Trade & other receivables	7.35	-	-	-	-	7.35
Cash and cash equivalents	6.19	-	-	-	-	6.19
Other financial assets	31.91	-	8,016.62	-	-	8,048.53
Total	**645.45**	**-**	**8,077.76**	**-**	**-**	**8,723.21**

(₹ in crores)

Financial liabilities	Amortised Cost	FVTOCI	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Total carrying value
Borrowings	2,145.00	-	-	-	-	2,145.00
Debt securities	1,116.08	-	-	-	-	1,116.08
Trade & other payables	0.88	-	-	-	-	0.88
Other financial liabilities	42.22	-	-	-	-	42.22
Total	**3,304.18**	**-**	**-**	**-**	**-**	**3,304.18**

The following table presents the carrying amounts of each category of financial assets and liabilities as at March 31, 2024:

(₹ in crores)

Financial assets	Amortised cost	FVTOCI	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Total carrying value
Investments	1,247.65	168.98	1,112.82	-	-	2,529.45
Loans	14,757.31	16,749.50	-	-	-	31,506.81
Trade & other receivables	60.83	-	-	-	-	60.83
Cash and cash equivalents	3,013.86	-	-	-	-	3,013.86
Other bank balances	107.68	-	-	-	-	107.68
Other financial assets	1,091.43	-	-	-	-	1,091.43
Derivative financial instruments	-	-	-	102.44	-	102.44
Total	**20,278.76**	**16,918.48**	**1,112.82**	**102.44**	**-**	**38,412.50**

(₹ in crores)

Financial liabilities	Amortised cost	FVTOCI	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Total carrying value
Borrowings	25,348.39	-	-	-	-	25,348.39
Debt securities	7,268.37	-	-	-	-	7,268.37
Trade & other payables	391.47	-	-	-	-	391.47
Subordinated liabilities	484.48	-	-	-	-	484.48
Derivative financial instruments	-	-	-	4.91	-	4.91
Other financial liabilities	1,184.38	-	-	-	-	1,184.38
Total	**34,677.09**	**-**	**-**	**4.91**	**-**	**34,682.00**

TMF HOLDINGS LIMITED

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2025

Fair value hierarchy

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

(₹ in crores)

Particulars	As at March 31, 2025					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value						
Investments	61.14	61.14	61.14	-	-	61.14
Other financial asset	8,016.62	8,016.62	-	-	8,016.62	8,016.62
Total	**8,077.76**	**8,077.76**	**61.14**	**-**	**8,016.62**	**8,077.76**

(₹ in crores)

Particulars	As at March 31, 2025					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at amortised cost for which fair value is disclosed						
Borrowings	21,45.00	21,45.00	-	21,45.00	-	21,45.00
Debt securities	11,16.08	11,19.81	-	11,19.81	-	11,19.81
Total	**32,61.08**	**32,64.81**	**-**	**32,64.81**	**-**	**32,64.81**

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

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

(₹ in crores)

Particulars	As at March 31, 2024					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value						
Investments	1,281.80	1,281.80	423.25	-	858.55	1,281.80
Derivative instruments	102.44	102.44	-	102.44	-	102.44
Loans	16,749.50	16,749.50	-	-	16,749.50	16,749.50
Total	**18,133.74**	**18,133.74**	**423.25**	**102.44**	**17,608.05**	**18,133.74**

(₹ in crores)

Particulars	As at March 31, 2024					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial assets measured at amortised cost for which fair value is disclosed						
Loans	14,757.32	14,776.52	-	-	14,776.52	14,776.52
Total	**14,757.32**	**14,776.52**	**-**	**-**	**14,776.52**	**14,776.52**

(₹ in crores)

Particulars	As at March 31, 2024					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value						
Derivative instruments	4.91	4.91	-	4.91	-	4.91
Total	**4.91**	**4.91**	**-**	**4.91**	**-**	**4.91**

(₹ in crores)

Particulars	As at March 31, 2024					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at amortised cost for which fair value is disclosed						
Borrowings	22,290.45	22,290.45	-	22,290.45	-	22,290.45
Debt securities	5,299.39	5,288.01	-	5,288.01	-	5,288.01
Subordinated liabilities	484.48	497.50	-	497.50	-	497.50
Total	**28,074.32**	**28,075.96**	**-**	**28,075.96**	**-**	**28,075.96**

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

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

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

There has been no transfers between level 1, level 2 and level 3 for the year ended March 31, 2025 and March 31, 2024

Derivatives instruments are fair valued using market observable rates and published prices together with forecast cash flow information where applicable are classified in level 2. The fair value (i.e. Market to Market) of the derivative instruments is provided by independent third party external valuer (i.e. reputed banks/financial institution).

The fair value of loans arising from financing activities has been estimated by discounting expected cash flows using rates at which loans of similar credit quality and maturity would be made and internal assumptions such as expected credit losses and estimated collateral value as at March 31, 2025 and 2024. Since significant unobservable inputs are applied in measuring the fair value of loans arising from finance activities are classified in Level 3.

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

The fair value of the long term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts.

Costs of certain unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. These investments in equity instruments are not held for trading. Instead, they are held for medium or long term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments in equity instruments at FVTOCI as the directors believes this provides a more meaningful presentation for medium or long term strategic investments, than reflecting changes in fair value immediately in profit or loss.

Certain unquoted equity instruments clasified as Level 3 are fair valued by independent third party valuer using the Comparable Company Method/Approach (CCM). Since significant unobservable inputs are applied in measuring the fair value they are classified in Level 3. Increase or decrease in multiple will result in increase or decrease in valuation.

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

Fair value of financial assets/liabilities measured at amortised cost

The carrying amounts of other financial assets and other financial liabilities other than those disclosed in table above valued at level 2 and level 3 are considered to be the same as their fair values due to the short term maturities of instruments and no material differences in the values.

Reconciliation of level 3 fair value measurement is as below :

(₹ in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	17,608.06	17,210.90
Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	(17,608.06)	-
Additions during the year	-	4,116.74
MTM gain/(loss) recognized in OCI	-	(177.23)
MTM gain/(loss) recognized in P&L	-	610.27
Realised during the year	-	(4,152.62)
Balance at the end of the year	-	17,608.06

39 Group as a Lessee

The Group has leases for the office premises at its PAN India branches, rented yards for repossessed vehicles and for other equipments like Gensets. With the exception of short term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of revenue) are excluded from the initial measurement of the lease liability and asset.

The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment (refer Note 13)

Leases of rented offices are generally limited to a lease term of 2 to 12 years. Leases of rented yards generally have a lease term ranging from 5 years to 9 years. Lease payments are generally fixed however the Group has one lease where rentals are linked to outstanding Loan and the number of employees

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group.

Refer Note 13 for details of right-of-use asset recognized.

Set out below, are the carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the year:

(₹ in crores)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Right-of-use assets	Borrowings	Right-of-use assets	Borrowings
	Buildings	Lease Liabilities	Buildings	Lease Liabilities
Balance at the beginning of the year	70.96	81.68	75.30	83.89
Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	(70.96)	(81.68)	-	-
Additions	-	-	15.39	15.39
Deletions	-	-	(2.89)	(3.32)
Depreciation expense	-	-	(16.84)	-
Interest expense	-	-	-	6.77
Payments	-	-	-	(21.05)
Total	-	-	70.96	81.68

When measuring the lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate.

Refer Note 43 on Financial Risk Manangement for maturity analysis of lease liabilities at March 31, 2024

(₹ in crores)

Set out below, are the amounts recognised in profit and loss	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation expense of right-of-use assets	-	16.84
Interest expense on lease liabilities	-	6.77
Rent expense- Short term leases	-	5.13
Leases of low value assets	-	3.68

40 Group as a Lessor

The Group has given passenger and commercial vehicles under operating lease.

The Group has recognised lease rental income from leasing of these assets amounting to ₹ nil (March 31, 2024: ₹ 53.76 crores) in the Consolidated Statement of Profit and Loss. There are no variable lease rentals recognized during the year.

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

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

(₹ in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Within 1 year	23.56	38.13
1-2 years	12.79	10.49
2-3 years	3.72	8.03
3-4 years	0.49	3.39
4-5 years	-	0.56
Above 5 years	-	-
Total	**40.56**	**60.60**

41 Finance Lease receivables

The Group has entered into lease arrangements as a lessor that are considered to be finance leases. The Group leases vehicles and as it transfer's substantially all of the risks and rewards of ownership of the assets they are classified as finance leases. The lease term for these leases ranges from 2 to 7 years.

The maturity analysis of lease receivables, including the undiscounted lease payments to be received are as follows:

(₹ in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Less than 1 year	-	82.91
1-2 years	-	56.18
2-3 years	-	52.95
3-4 years	-	39.16
4-5 years	-	3.75
Total undiscounted lease payments	**-**	**234.95**
Unearned finance income	-	(41.05)
Net investment in the lease	**-**	**193.90**

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

(₹ in crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Finance income on the net investment in the lease	-	13.90

42 Maturity Analysis of Assets and Liabilities

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

(₹ in crores)

	Particulars	As at March 31, 2025			As at March 31, 2024		
		Current	Non current	Total	Current	Non current	Total
I	**ASSETS**						
1	**Financial assets**						
	(a) Cash and cash equivalents	6.19	-	6.19	3,013.86	-	3,013.86
	(b) Bank Balance other than cash and cash equivalents	-	-	-	107.68	-	107.68
	(c) Derivative financial instruments	-	-	-	96.18	6.26	102.44
	(d) Receivables	-	-		-	-	-
	i. Trade receivables	7.34	-	7.34	41.43	-	41.43
	ii. Other receivables	0.01	-	0.01	19.40	-	19.40
	(e) Loans	-	-	-	24,993.78	6,513.03	31,506.81
	(f) Investments	61.14	600.00	661.14	481.32	2,048.13	2,529.45
	(g) Other financial assets	31.57	8,016.96	8,048.53	1,081.33	10.10	1,091.43
2	**Non-financial assets**						
	(a) Current tax assets (net)	-	189.45	189.45	-	354.16	354.16
	(b) Deferred tax assets (net)	-	-	-	-	16.92	16.92
	(c) Property, plant and equipment	-	102.08	102.08	-	257.92	257.92
	(d) Goodwill	-	-	-	-	205.19	205.19
	(e) Other intangible assets	-	0.33	0.33	-	7.24	7.24
	(f) Other non-financial assets	19.11	1.79	20.90	190.42	32.29	222.71
			-				
3	**Assets held for sale**	-	-	-	65.46	-	65.46
	Total assets	125.36	8,910.61	9,035.97	30,090.86	9,451.24	39,542.10
II	**LIABILITIES**						
1	**Financial liabilities**						
	(a) Derivative financial instruments-FL	-	-	-	19.51	(14.60)	4.91
	(b) Payables						
	i. Trade payables						
	- total outstanding dues of micro enterprises and small enterprises	0.17	-	0.17	13.19	-	13.19
	- total outstanding dues of creditors other than micro enterprises and small enterprises	0.66	-	0.66	267.44	-	267.44
	ii. Other payables						-
	- total outstanding dues of micro enterprises and small enterprises	-	-		-	-	-
	- total outstanding dues of creditors other than micro enterprises and small enterprises	0.05	-	0.05	110.84	-	110.84
	(c) Debt securities	375.39	740.69	1,116.08	5,442.29	1,826.08	7,268.37
	(d) Borrowings (Other than debt securities)	2,145.00	-	2,145.00	12,386.83	12,961.56	25,348.39
	(e) Subordinated liabilities	-	-	-	234.27	250.21	484.48
	(f) Other financials liabilities	12.69	29.53	42.22	1,064.69	119.69	1,184.38
2	**Non-financial liabilities**						
	(a) Current tax liabilities (net)	3.87	-	3.87	2.41	-	2.41
	(b) Deferred tax liabilities (net)	104.37	-	104.37	-		-
	(c) Provisions	0.07	0.03	0.10	15.33	95.60	110.93
	(d) Other non-financial liabilities	2.80	2.99	5.79	74.62	-	74.62
	Total liabilities	2,645.07	773.24	3,418.31	19,631.42	15,238.54	34,869.96
	Net	(2,519.71)	8,137.37	5,617.66	10,459.44	(5,787.30)	4,672.14

43 Financial risk management

The Group's activities expose it to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance. Centralised treasury department and risk management department advises on financial risks and the appropriate financial risk governance framework for The Group's and provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

All hedging activities are carried out by Centralised treasury department possessing the appropriate skills, experience and supervision. The Group's policy is to hedge the exposure by taking derivative instruments and not to trade in derivatives for speculative purposes.

(A) Credit Risk

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

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

Exposure to Credit Risk

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

Financial assets that are neither past due or impaired

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

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

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

None of the Group's cash equivalents, including time deposits with banks, are past due or impaired. Regarding the derivative contracts, trade receivables and other financial assets are neither impaired nor past due, there were no indications as at March 31, 2025, that defaults in payment obligations will occur.

The Group exposure to market risk is a function of asset liability management activities. The Group continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the Company's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee.

i) <u>Loans arising from financing activities - Credit quality of financial assets and impairment loss</u>

Loans from financing activities to customers. Credit risk for loans is managed by the Group's through credit approvals, establishing credit limits and periodic monitoring of the creditworthiness of its customers to which The Group's grants credit terms in the normal course of business. Credit risk is monitored by the credit risk department of The Group's independent Risk department/function who have the responsibility for reviewing and managing credit risk.

The Group creates & secures first and exclusive collateral charge at the time of loan origination on all vehicles for which vehicle financing loans are given. Hypothecation endorsement is obtained in favour of the Group in the Registration Certificate of the Vehicle funded under the vehicle finance category. Any surplus remaining after settlement of outstanding loan by way of sale of vehicle (collateral) is returned to the customer. Also, the Group secures portion of the loss against loans financed to customers by obtaining third party credit guarantees. For the corporate lending loan exposure, wherever required the Group obtains security cover in the form of immoveable properties by creating charge over the collateral.

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The Group is in retail & corporate lending business on pan India basis. Vehicle Finance consists of lending for purchase of new and used Commercial Vehicles and Passenger Vehicles against security. Hypothecation endorsement is made in favour of the Group in the Registration Certificate in respect of all registerable collateral. Portfolio is reasonably well diversified across South, North, East and Western parts of the country. Similarly, sub segments within Used Vehicle Finance like refinance against existing vehicles and repurchase vehicles (first time buyers), leading to well diversified into sub product mix.

The maximum credit exposure to any individual customer from the financing business as of March 31, 2025 was ₹ nil (March 31, 2024: ₹ 164.61 crores).

On account of adoption of Ind AS 109, The Group's uses the 3 staging Expected Credit Loss (ECL) model to assess the provision for impairment loss allowance. The model takes into account a continuing credit evaluation of Group's customers' financial condition; ageing of loans; the value and adequacy of collateral received from the customers; The Group's's historical loss experience; and adjusted for forward looking information. The Group's defines default as an event when there is no reasonable expectation of recovery.

The Group's makes allowances for losses on its portfolio of loans on the basis of expected future collection from receivables. The future collection are estimated on the basis of past collection trend which are adjusted for changes in current circumstances as well as expected changes in collection on account of future with respect to certain macro economic factor. The Group's impairment assessment and measurement approach is set out in Note 3(xvii) A - Accounting policies.

(₹ in crores)

Particulars	Stage-1		Stage-2		Stage-3		Total	
	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss allowance
As at March 31, 2024	28,972.55	215.73	1,911.32	246.05	1,974.82	890.07	32,858.69	1,351.85
Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	(28,972.55)	(215.73)	(1,911.32)	(246.05)	(1,974.82)	(890.07)	(32,858.69)	(1,351.85)
Transfers during the year								
Transfer to Stage-1	-	-	-	-	-	-	-	-
Transfer to Stage-2	-	-	-	-	-	-	-	-
Transfer to Stage-3	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
As at March 31, 2025	-	-	-	-	-	-	-	-

(₹ in crores)

Particulars	Stage-1		Stage-2		Stage-3		Total	
	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss allowance
As at 31st March 2023	30,367.63	212.09	2,607.86	151.05	3,281.79	1,581.67	36,257.28	1,944.81
Transfers during the year								
Transfer to Stage-1	620.01	53.20	(556.50)	(29.33)	(63.51)	(23.87)	-	-
Transfer to Stage-2	(1,609.03)	(19.50)	1,682.54	36.37	(73.51)	(16.87)	-	-
Transfer to Stage-3	(663.94)	(6.54)	(449.99)	(23.20)	1,113.93	29.74	-	-
	(1,652.96)	27.16	676.05	(16.16)	976.91	(11.00)	-	-
Impact of change in credit risk on account of	-	(61.98)	-	140.66	-	1,251.02	-	1,329.70
Changes in Opening Credit Exposure	(38,842.09)	(28.32)	(1,534.03)	(43.74)	(563.99)	(189.84)	(40,940.11)	(261.90)
New Credit Exposure during the year (net of	39,099.96	66.78	161.44	14.24	29.51	7.62	39,290.91	88.64
Amount Written off During the year	-	-	-	-	(1,749.40)	(1,749.40)	(1,749.39)	(1,749.40)
As at March 31, 2024	28,972.55	215.73	1,911.32	246.05	1,974.82	890.07	32,858.69	1,351.85

(8) Management of Liquidity risk

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

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

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

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

(₹ in crores)

	Particulars	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total contractual cashflows
	Non derivatives						
(a)	Borrowings	2,145.00	2,145.00	-	-	-	2,145.00
(b)	Trade and other payables	0.88	0.88	-	-	-	0.88
(c)	Debt securities	1,116.08	389.32	831.33	-	-	1,220.65
(d)	Other financial liabilities	42.22	12.64	1.82	1.72	26.04	42.22
	Total	3,304.18	2,547.84	833.15	1.72	26.04	3,408.75

The table below provides details regarding the contractual maturities of financial liabilities, including estimated/contractual interest payments as at March 31, 2024:

(₹ in crores)

	Particulars	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total contractual cashflows
	Non derivatives						
(a)	Borrowings	25,348.39	13,788.27	5,517.62	9,112.93	-	28,418.82
(b)	Trade and other payables	391.47	391.47	-	-	-	391.47
(c)	Debt securities	7,268.37	5,667.75	389.32	1,797.65	-	7,854.72
(d)	Subordinated liabilities	484.48	321.54	19.18	251.63	-	592.35
(e)	Lease liabilities	81.68	22.27	20.72	42.81	15.56	101.36
(f)	Other financial liabilities	1,102.70	1,069.33	1.99	5.34	26.04	1,102.70
	Derivatives	-					
(a)	Derivative contracts	4.91	19.52	(14.60)	-	-	4.92
	Total	34,682.00	21,280.15	5,934.22	11,210.37	41.60	38,466.34

(C) Management of Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Financial instruments affected by market risk include borrowings, investments and derivative financial instruments.

The Group exposure to market risk is a function of asset liability management activities. The Group continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the Group's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee.

Foreign currency risk

Foreign exchange risk is the risk of impact/changes related to fair value or future cash flows of an financial instrument exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The fluctuation in foreign currency exchange rates may have potential impact on the Consolidated Statement of Profit and Loss and equity, where assets/liabilities are denominated in a currency other than the functional currency of the Group.

The Group's foreign currency exposure arises mainly from variable rate foreign currency borrowings denominated in USD. The Group, as per its risk management policies, enters into derivative financial instruments like currency swaps and forward contracts to mitigate risk of changes in exchange rate in foreign currency. When a derivative is entered in to for the purpose of being as hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Group policy is to fully hedge its foreign currency borrowings at the time of drawdown till the repayment.

No sensitivity analysis is prepared as the Group does not expect any material effect on the Group's profit and loss & financial position arising from the effects of reasonably possible changes to foreign exchange rates on variable rate foreign currency borrowings as the exposure is fully hedge by entering into derivative financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Group's exposure to the risk of changes in market rates relates primarily to the Group's borrowings obligations with floating/variable interest rates.

The Group borrows through various instruments which has interest rate reset clause which is exposed to interest rate risk. For the foreign currency denominated floating interest rate borrowings, the Group manages its interest rate risk by entering into interest rate swap and cross currency interest rate swap derivative instruments in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

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

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

(₹ in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Non derivative Financial Liabilities		
Variable rate borrowings *	-	22,250.28
Net Exposure	-	22,250.28

* The above excludes the foreign currency denominated floating interest rate borrowings, the Group manages its interest rate risk by entering into interest rate swap and cross currency interest rate swap derivative instruments in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Interest rate sensitivity analysis

Profit or loss is sensitive to interest expense from variable rate borrowings as a result of changes in interest rate. Increase/decrease of 100 basis points in interest rates at the reporting date would result in an impact (decrease/increase in case of profit/(loss) before tax of ₹ nil and ₹ 222.50 crores on income for the year ended March 31, 2025 and March 31, 2024 respectively.

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

Equity price risk
Equity price risk is related to the change in market reference price of the investments in equity securities.

The fair value of some of the Group's investments measured at fair value through other comprehensive income and fair value through profit and loss exposes the Group to equity price risks. These investments are subject to changes in the market price of securities. The fair value of Group's investment in equity securities as at March 31, 2025 and March 31, 2024 was ₹ nil and ₹ 972.98 crores respectively.

(₹ in crores)

Particulars	Impact on profit for the year		Impact on other components of equity	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Equity price Sensitivity				
Increase in equity price by 10 %	-	-	79.77	18.05
Decrease in equity price by 10 %	-	-	(0.80)	(18.05)

(Note: The impact is indicated on equity before consequential tax impact, if any).

Capital management
The capital structure of the Group consists of net debt and total equity of the Group. The Group manages its capital to maximise the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Group's risk management committee reviews the capital structure of the Group considering the cost of capital and the risks associated with each class of capital.

In addition the Group has financial covenants relating to the borrowing facilities that it has taken from the lenders which is monitored and complied by the Group.

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

(₹ in crores)

	Particulars	As at April 01, 2024	Disposal on account of merger of Tata Motors Finance Limited to Tata Capital Limited (Refer Note 48)	Cash flows (net)	Exchange difference	Amortisation / EIR adjustments	As at March 31, 2025
(a)	Debt securities	7,268.37	(3,829.89)	(2,355.57)	-	33.17	1,116.08
(b)	Borrowings (Other than debt securities)	25,348.39	(25,263.39)	2,060.00	-	-	2,145.00
(c)	Subordinated liabilities	484.48	(484.48)	-	-	-	-
	Total	33,101.24	(29,577.76)	(295.57)	-	33.17	3,261.08

(₹ in crores)

	Particulars	As at April 01, 2023	Cash flows (net)	Exchange difference	Amortisation / EIR adjustments	As at March 31, 2024
(a)	Debt securities	11,553.88	(4,812.47)	-	526.96	7,268.37
(b)	Borrowings (Other than debt securities)	24,148.58	1,188.57	(1.58)	12.82	25,348.39
(c)	Subordinated liabilities	713.30	(230.10)	-	1.28	484.48
	Total	36,415.76	(3,854.00)	(1.58)	541.06	33,101.24

45 The Parliament has approved the Code on Social Security, 2020 ('the Code') which may impact the contribution by the Group towards Provident Fund and Gratuity. The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed after which the financial impact can be ascertained. The Group will complete its evaluation and will give appropriate impact, if any, in the financial results following the Code becoming effective and the related rules being framed and notified.

46 Asset Held for sale
The Group has acquired underlying collateral in satisfaction of its receivable from certain borrowers and has classified those assets as held for sale. As at March 31, 2025 assets held for sale amounted to ₹ nil (as at March 31, 2024 ₹ 65.46 crores). The Company expects to dispose off these assets in open market within next 1 year.

47 Figures of previous period have been regrouped / reclassified wherever required.

48 Discontinued Operation

Disposal due to merger of Tata Motors Finance Limited for Tata Capital Limited

The Board of Directors of Tata Motors Finance Limited ("TMFL"), a wholly-owned subsidiary of the Company, at its meeting held on June 4, 2024, approved (subject to the requisite regulatory and other approvals) a Scheme of Arrangement for amalgamation of the TMFL with and into Tata Capital Limited ("TCL") with appointed date of April 1, 2024. The Scheme has been approved by the National Company Law Tribunal ("NCLT"), Mumbai Bench on May 1, 2025. TMFL and TCL has received all other necessary regulatory approvals and the scheme is effective from May 8, 2025. Accordingly, the Company has accounted for transfer of net assets (as calculated below) in accordance with the accounting principles generally accepted in India and has recognised the excess of consideration received (Investment value) over the carrying value of net assets transferred as at April 1, 2024, amounting to ₹ 3,968.96 crores (net of taxes) in consolidated statement of profit or loss. The same is entirely attributable to the owners of the Company. Further, the comparative consolidated statement of profit and loss has been re-presented to show the discontinued operation separately from continuing operations.

(A) Net Assets of TMFL are as follows:

(₹ in crores)

		As at April 1, 2024
(a)	Financial Assets	37,888.77
(b)	Non Financial Assets (including assets classified as held for sale)	678.36
	Total Assets associated with TMFL	38,567.13
(a)	Financial Liabilities	31,812.21
(b)	Non Financial Liabilities	180.66
	Total Liabilities directly associated with TMFL	31,992.87

(B) Statement of Profit and Loss of TMFL is as follows:

(₹ in crores)

		Year ended March 31, 2025	Year ended March 31, 2024
(a)	Revenue from operations	-	4,943.97
(b)	Other income	-	49.96
(c)	Total income (a+b)	-	**4,993.93**
(d)	Expenses	-	4,769.82
(e)	Loss before exceptional items and tax (c-d)	-	**224.11**
(f)	Exceptional item - (gain)/ loss	(4,073.33)	-
(f)	Profit/ (loss) before tax from discontinued operations (e-f)	**4,073.33**	**224.11**
(g)	Tax expense	104.37	172.27
(h)	Profit/ (loss) for the year from discontinued operations (f-g)	**3,968.96**	**51.84**

(C) Net cash Flow Attributable to TMFL is as follows:

(₹ in crores)

		Year ended March 31, 2024
(a)	Cash flow from operating activities	(1,465)
(b)	Cash flow from investing activities	3,965
(c)	Cash flow used in Financing activities	(3,622)
	Net increase/(decrease) in cash and cash equivalent	**(1,122)**

As per our report of even date attached

For and on behalf of the Board of Directors

PATHAMADAI BALACHANDRAN BALAJI Digitally signed by PATHAMADAI BALACHANDRAN BALAJI Date: 2025.05.10 20:19:15 +05'30'

NARUMANCHI VENKATA SIVAKUMAR Digitally signed by NARUMANCHI VENKATA SIVAKUMAR Date: 2025.05.10 19:30:34 +05'30'

P.B. BALAJI
Director
(DIN - 02762983)

N. V. SIVAKUMAR
Director
(DIN - 03534101)

For B R Maheswari & Co LLP
Chartered Accountants
Firm Registration Number: 001035N/N500050

AKSHAY MAHESHWARI Digitally signed by AKSHAY MAHESHWARI Date: 2025.05.10 21:09:52 +05'30'

MOHIT AGARWAL Digitally signed by MOHIT AGARWAL Date: 2025.05.10 20:06:17 +05'30'

NEERAJ KUMAR DWIVEDI Digitally signed by NEERAJ KUMAR DWIVEDI Date: 2025.05.10 19:31:24 +05'30'

AKSHAY MAHESHWARI
Partner
Membership No. 504704

MOHIT AGARWAL
Chief Financial Officer

NEERAJ DWIVEDI
Company Secretary
Membership No :- ACS20874

Place : Mumbai
Date: May 10, 2025

Place : Mumbai
Date: May 10, 2025

B R MAHESWARI & CO LLP
CHARTERED ACCOUNTANTS

M – 118, Connaught Circus, New Delhi – 110001 Phone: +91 (11) 4340 2222
Email: brmc@brmco.com

To the Members of TMF Holdings Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of TMF Holdings Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2025, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. 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, 2025, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. 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.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgement, 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Information Technology ("IT") Systems and controls impacting Standalone Financial Statements	
The Company's financial reporting process is heavily reliant on a complex IT environment. Key financial reporting systems are interfaced with each other, and automated processes are used for recording and processing a high volume of transactions. Given the pervasive use of IT and the significant volume of transactions processed, the integrity and reliability of IT systems and related controls are critical to the accurate preparation of the standalone financial statements. We identified IT systems and controls as a key audit matter because of the: • High dependency on automated controls and system-generated data; • Risks associated with unauthorized access or changes to systems and data; • Potential impact on financial reporting in the event of deficiencies in IT general controls (ITGCs), including user access management, change management, and program development.	Our procedures with respect to this matter included the following: ➢ Obtained an understanding of the IT control environment relevant to financial reporting; ➢ Evaluated the design and tested the operating effectiveness of key IT general controls over user access management, program changes, and other relevant areas; ➢ Performed testing of automated controls and key system interfaces used in financial reporting; ➢ Assessed the reliability of system-generated reports and data used in substantive audit procedures; ➢ Involved our IT specialists to support the audit procedures in evaluating system configurations and access controls. Based on the procedures performed, we did not identify any material exceptions in the design or operating effectiveness of IT controls that would impact the standalone financial statements.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the standalone financial statements

6. The Company's Board of Directors is 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 standalone financial position, standalone financial performance, changes in equity and standalone cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

8. 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.

9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
   - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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 made by management.
   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

10. 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.

11. 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.

12. 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.

Other Matters

13. The Standalone Financial Statements of the company for the year ended March 31,2024 were audited by another firm of chartered accountants under the Act who, vide their report dated May 02,2024, expressed an unmodified opinion on those standalone financial statement.

Report on other legal and regulatory requirements

14. 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 B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

15. 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 except for the matters stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The standalone Balance Sheet, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows 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 Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 15(b) above on reporting under Section 143(3)(b) and paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(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 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 disclosed in the Notes to accounts to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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; and

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

v. The company has not declared and paid any dividend during the year.

vi. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. The Audit Trail has been maintained as per the statutory requirements for records retention as per proviso to Rule 3(1) of the companies (Accounts Rules) 2014.

16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **B R Maheswari & Co LLP**
Chartered Accountants
Firm Registration Number: 001035N/N500050

AKSHAY MAHESHWARI Digitally signed by AKSHAY MAHESHWARI Date: 2025.05.10 21:26:10 +05'30'

Akshay Maheshwari
Partner
Membership Number:

UDIN: **25504704BMIBFV2828**

Place: New Delhi
Date: May 10,2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 15 (g) of the Independent Auditor's Report of even date to the members of TMF Holdings Limited on the standalone financial statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of TMF Holdings Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls 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 ("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.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, 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 issued by ICAI.

For **B R Maheswari & Co LLP**
Chartered Accountants
Firm Registration Number:001035N/N500050

AKSHAY MAHESHWARI
Digitally signed by AKSHAY MAHESHWARI
Date: 2025.05.10 21:26:36 +05'30'

Akshay Maheshwari
Partner
Membership Number:

UDIN: **25504704BMIBFV2828**

Place: New Delhi
Date: May 10,2025

Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of TMF Holdings Limited on the standalone financial statements as of and for the year ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company does not have any intangible assets. Accordingly, paragraph 3(i)(a)(B) of the Order is not applicable to the Company.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) 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), as disclosed in the standalone financial statements, are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment does not arise. 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) Based on the information and explanations furnished to us, no proceedings have been initiated on or pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the standalone financial statements does not arise.

ii. (a) The Company is in the business of rendering services and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) During the year, 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. (a) Based on our examination and the information and explanations given to us, reporting under clause 3(iii)(a) of the Order is not applicable to the Company as it is a non-banking financial company registered with the Reserve Bank of India engaged in the business of granting loans.

(b) Based on our examination and the information and explanations given to us, in respect of the aforesaid investments / loans, in our opinion, the terms and conditions under which such loans were granted/ investments were made are not prejudicial to the Company's interest. The Company has not made an advance in loans / given any guarantee / provided any securities.

(c) In respect of the aforesaid loans, 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) In respect of the loans, there does not exist any overdue amount remaining outstanding as at March 31, 2025.

(e) Based on our examination and the information and explanations given to us, reporting under clause 3(iii)(e) of the Order is not applicable to the Company as it is a non-banking financial company registered with the Reserve Bank of India, engaged in the business of granting loans.

(f) The loans granted during the year, including to promoters/related parties had stipulated the scheduled repayment of principal and payment of interest and the same were repayable on demand, details of which are mentioned below:

(Amount in Cr.)

Particulars	**All Parties**	**Promoters**	**Related parties**
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	205.65	-	205.65
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	205.65	-	205.65
Percentage of loans/ advances in nature of loans to the total loans	100%	-	100%

iv. In our opinion, during the year, the Company has neither provided any loans, guarantees, nor securities in connection with any loan extended to its directors or to any other persons in whom the directors are interested. Accordingly, the provisions of Section 185 of the Companies Act, 2013 ('the Act') are not applicable to the Company. The provisions of sub-sections (2) to (11) of Section 186 are not applicable to the Company as it is a non-banking financial company registered with the RBI, engaged in the business of granting loans.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Further, the provisions of sub-section (1) of Section 73 are not applicable to the Company as it is a non-banking financial company registered with RBI, engaged in the business of granting loans.

vi. The Central Government of India has not specified the maintenance of cost records under sub- section (1) of Section 148 of the Act for any of the services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues, including goods and services tax, income tax, cess, and other statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanation given to us, there are no dues of income tax, goods and service tax, cess and other statutory dues outstanding on account of any dispute by the company.

viii. There are no transactions previously unrecorded 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.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, 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 the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, associates or joint ventures, if any.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary, associates, joint ventures, if any.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has not received any whistle-blower complaints during the year.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Refer note 34 to the standalone financial statements.

xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934.

(b) The Company has conducted non-banking financial activities during the year and the Company holds a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India 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) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) ("the group") has four CIC which are registered with the Reserve Bank of India (RBI) and one CIC which is not required to be registered with the RBI.

xvii. The Company has incurred cash losses in the preceding financial year (FY 2023-24) amounting to Rs.120.93 Cr. and during the current financial year amounting to Rs.162.64 Crores.

xviii. Based on the information and explanations given to us, the statutory auditors of the Company Sudit K. Parekh & Co. LLP have resigned during the year. We have taken into consideration the issues, objections, or concerns raised by the outgoing auditors, while forming our opinion on the financial statements of the Company.

xix. On the basis of the financial to the Standalone Financial Statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone 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 state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. (a) There are no other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

(b) As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **B R Maheswari LLP**
Chartered Accountants
Firm Registration Number: 001035N/N500050

AKSHAY MAHESHWARI
Digitally signed by AKSHAY MAHESHWARI
Date: 2025.05.10 21:26:59 +05'30'

Akshay Maheshwari
Partner
Membership Number:

UDIN: **25504704BMIBFV2828**

Place: New Delhi
Date: May 10,2025

TMF HOLDINGS LIMITED
STANDALONE BALANCE SHEET

(₹ in crores)

	Notes	As at March 31, 2025	As at March 31, 2024
I ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	4	2.81	9.21
(b) Bank balance other than (a) above	5	-	104.25
(c) Trade receivables	6	-	0.48
(d) Loans	7	145.25	749.55
(e) Investments	8	656.13	7,916.14
(f) Other financial assets	9	8,048.53	30.94
		8,852.72	8,809.57
2 Non-financial assets			
(a) Current tax assets		121.35	110.55
(b) Investment Property	10	17.37	17.73
(c) Property, plant and equipment	11	0.39	0.41
(d) Other non-financial assets	12	0.24	0.24
		139.35	128.93
Total assets		8,992.07	8,938.50
II LIABILITIES AND EQUITY			
1 Financial liabilities			
(a) Trade Payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		0.11	0
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.28	0.75
(b) Debt securities	14	1,116.08	3,438.48
(c) Borrowings (Other than debt securities)	15	2,145.00	85.00
(d) Other financial liabilities	16	26.04	48.15
		3,287.51	3,572.38
2 Non-financial liabilities			
(a) Current tax liabilities		3.83	2.19
(b) Provisions	17	0.07	0.12
(c) Deferred tax liabilities (net)	28	104.37	-
(d) Other non-financial liabilities	18	2.80	1.39
		111.07	3.70
3 Equity			
(a) Equity share capital	19	1,741.59	1,741.59
(b) Instruments entirely equity in nature	20	1,800.00	1,800.00
(c) Other equity		2,051.90	1,820.83
		5,593.49	5,362.42
Total liabilities and equity		8,992.07	8,938.50

See accompanying notes to standalone financial statements

As per our report of even date attached
For B R Maheswari & Co LLP
Chartered Accountants
Firm Registration Number: 001035N/N500050

AKSHAY MAHESHWARI Digitally signed by AKSHAY MAHESHWARI Date: 2025.05.10 21:27:52 +05'30'

Akshay Maheshwari
Partner
Membership No. 504704

Place: Delhi
Date: May 10, 2025

For and on behalf of the Board of Directors

PATHAMADAI BALACHANDRAN BALAJI Digitally signed by PATHAMADAI BALACHANDRAN BALAJI Date: 2025.05.10 20:20:56 +05'30'

P.B. Balaji
Director
(DIN - 02762983)

NARUMANCHI VENKATA SIVAKUMAR Digitally signed by NARUMANCHI VENKATA SIVAKUMAR Date: 2025.05.10 19:24:46 +05'30'

N. V. SIVAKUMAR
Director
(DIN - 03534101)

MOHIT AGARWAL Digitally signed by MOHIT AGARWAL

Mohit Agarwal
Chief Financial Officer

NEERAJ KUMAR DWIVEDI Digitally signed by NEERAJ KUMAR DWIVEDI Date: 2025.05.10 19:19:05 +05'30'

Neeraj Dwivedi
Company Secretary
Membership No :- ACS20874

Place: Mumbai
Date: May 10, 2025

TMF HOLDINGS LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS

(₹ in crores)

	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
I Revenue from operations			
(a) Interest income	22	89.63	125.08
(b) Rental income		4.54	4.54
(c) Net gain on fair value changes	23	10.56	13.01
Total Revenue from operations		104.73	142.63
II Other income	24	3.06	25.62
III Total income (I + II)		107.79	168.25
IV Expenses:			
(a) Finance cost	25	268.77	285.38
(b) Impairment of financial instruments and other assets	26	(2.97)	(1.52)
(c) Depreciation expense	10 ,11	0.36	0.37
(d) Other expenses	27	3.91	3.70
Total expenses		270.07	287.93
V Profit / (Loss) before exceptional items and tax (III - IV)		(162.28)	(119.68)
VI Exceptional items			
Provision for impairment of investments and loans in a subsidiary company		129.78	-
Marked-to-market (gain)/ loss on account of merger of Tata Motors Finance Limited to Tata Capital Limited [Refer Note 40(q)]		(770.85)	-
VII Profit / (Loss) before tax (V - VI)		478.79	(119.68)
VIII Tax expense	28		
(a) Current tax		-	-
(b) Deferred tax		104.37	-
Total tax expense		104.37	-
IX Profit / (Loss) for the year (VII - VIII)		374.42	(119.68)
X Total comprehensive income/ (loss) for the year		374.42	(119.68)
XI Earnings per share of (Face value ₹ 10 each)	29		
Basic (in ₹)		1.33	(1.51)
Diluted (in ₹)		1.33	(1.51)

See accompanying notes to standalone financial statements

As per our report of even date attached
For B R Maheswari & Co LLP
Chartered Accountants
Firm Registration Number: 001035N/N500050

AKSHAY MAHESHWARI Digitally signed by AKSHAY MAHESHWARI Date: 2025.05.10 21:28:30 +05'30'

Akshay Maheshwari
Partner
Membership No. 504704

Place: Delhi
Date: May 10, 2025

For and on behalf of the Board of Directors

PATHAMADAI BALACHANDRAN BALAJI Digitally signed by PATHAMADAI BALACHANDRAN BALAJI Date: 2025.05.10 20:20:29 +05'30'

P.B. Balaji
Director
(DIN - 02762983)

MOHIT AGARWAL Digitally signed by MOHIT AGARWAL Date: 2025.05.10 19:50:35 +05'30'

Mohit Agarwal
Chief Financial Officer

Place: Mumbai
Date: May 10, 2025

NARUMANCHI VENKATA SIVAKUMAR Digitally signed by NARUMANCHI VENKATA SIVAKUMAR Date: 2025.05.10 19:25:21 +05'30'

N. V. SIVAKUMAR
Director
(DIN - 03534101)

NEERAJ KUMAR DWIVEDI Digitally signed by NEERAJ KUMAR DWIVEDI Date: 2025.05.10 19:19:35 +05'30'

Neeraj Dwivedi
Company Secretary
Membership No :- ACS20874

TMF HOLDINGS LIMITED
STANDALONE STATEMENT OF CASH FLOW

(₹ in crores)

		For the year ended March 31, 2025	For the year ended March 31, 2024
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit/ (loss) before tax	478.79	(119.68)
	Adjustments for:		
	Interest income on loans, deposits and investments	(89.63)	(125.08)
	Balance written back	(0.10)	(0.11)
	Finance costs	268.77	285.38
	Depreciation expense	0.36	0.37
	Gain on sale of investments	(10.92)	(13.01)
	Allowances/ (reversals) for loan losses (net)	(2.97)	(1.52)
	Provision for diminution in the value of investment and loan (exceptional item)	129.78	-
	Marked-to-Market gain on account of merger of Tata Motors Finance Limited to Tata Capital Limited [Refer Note 40(q)] (exceptional item)	(770.85)	-
	(Profit)/ Loss on sale of property, plant and equipment	(0.02)	0.02
	Operating cash flow before working capital changes	3.21	26.37
	Movements in working capital		
	Trade and other receivables	0.58	1.16
	Trade and other payables	(0.36)	(0.03)
	Other financial assets	(0.00)	(0.44)
	Other non-financial assets	-	0.40
	Other financial liabilities	-	0
	Provision for expenses	(0.02)	(0.03)
	Other non-financial liabilities	1.41	1.02
		4.82	28.45
	Finance costs paid	(257.71)	(103.72)
	Income taxes (paid) (net)	(9.16)	(34.36)
	Net cash used in operating activities	(262.05)	(109.63)
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Proceeds from sale of property, plant and equipment	-	0.01
	Interest income received on loans, deposits and investments	94.50	124.10
	Investment of channel finance	-	(5,593.94)
	Recovery of channel finance	363.95	6,061.55
	Inter corporate deposit placed	(221.65)	(790.00)
	Inter corporate deposit repaid	403.00	703.00
	(Purchase)/ Redemption of mutual fund units (net)	(45.22)	109.06
	Investment in equity shares of a subsidiary company	(0.01)	-
	Deposits with more than 3 months maturity	100.00	-
	Net cash generated from investing activities	694.57	613.78
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Distributions made to holders of instruments entirely equity in nature	(143.35)	(143.36)
	Proceeds from borrowings (other than debt securities)	2,940.00	740.00
	Repayment of borrowings (other than debt securities)	(880.00)	(700.00)
	Proceeds from issue of debt securities	490.60	1,528.30
	Repayment of debt securities	(2,846.17)	(1,957.00)
	Net cash used in financing activities	(438.92)	(532.06)
	Net increase/ (decrease) in cash and cash equivalents (A + B + C)	(6.40)	(27.91)
	Cash and cash equivalents at the beginning of the year	9.21	37.12
	Cash and cash equivalents at the end of the year	2.81	9.21
	Net increase/ (decrease) in cash and cash equivalents (A + B + C)	(6.40)	(27.91)

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

As per our report of even date attached
For B R Maheswari & Co LLP
Chartered Accountants
Firm Registration Number: 001035N/N500050

AKSHAY MAHESHWARI Digitally signed by AKSHAY MAHESHWARI Date: 2025.05.10 21:29:09 +05'30'

Akshay Maheshwari
Partner
Membership No. 504704

Place: Delhi
Date: May 10, 2025

For and on behalf of the Board of Directors

PATHAMADAI BALACHANDRAN BALAJI Digitally signed by PATHAMADAI BALACHANDRAN BALAJI Date: 2025.05.10 20:21:29 +05'30'

P.B. Balaji
Director
(DIN - 02762983)

NARUMANCHI VENKATA SIVAKUMAR Digitally signed by NARUMANCHI VENKATA SIVAKUMAR Date: 2025.05.10 19:26:02 +05'30'

N. V. SIVAKUMAR
Director
(DIN - 03534101)

MOHIT AGARWAL Digitally signed by MOHIT AGARWAL Date: 2025.05.10 19:51:31 +05'30'

Mohit Agarwal
Chief Financial Officer

NEERAJ KUMAR DWIVEDI Digitally signed by NEERAJ KUMAR DWIVEDI Date: 2025.05.10 19:02:02 +05'30'

Neeraj Dwivedi
Company Secretary
Membership No :- ACS20874

Place: Mumbai
Date: May 10, 2025

TMF HOLDINGS LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

A. Equity share capital

	As at March 31, 2025		As at March 31, 2024	
	Number	(₹ in crores)	Number	(₹ in crores)
Shares outstanding at the beginning of the year	1,741,593,442	1,741.59	1,741,593,442	1,741.59
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,741,593,442	17,41.59	1,741,593,442	1,741.59

B. Instruments entirely equity in nature

	As at March 31, 2025		As at March 31, 2024	
	Number	(₹ in crores)	Number	(₹ in crores)
Balance at the beginning of the year	18,000	1,800.00	18,000	1,800.00
Issued during the year	-	-	-	-
Balance at the end of the year	18,000	1,800.00	18,000	1,800.00

C. Other equity

(₹ in crores)

	Reserve and surplus					Total
	Special reserve*	Securities premium account	Capital reserve	Retained earnings		
				Undistributable (IndAS 101)	Distributable	
Balance as at April 1, 2024	257.83	1,947.05	50.91	5.53	(440.49)	1,820.83
Profit/ (Loss) for the year	-	-	-	-	374.42	374.42
Distributions made to holders of instruments entirely equity in nature	-	-	-	-	(143.35)	(143.35)
Transfer to Special Reserve	74.89				(74.89)	-
Balance as at March 31, 2025	332.72	1,947.05	50.91	5.53	(284.31)	2,051.90

(₹ in crores)

	Reserve and surplus					Total
	Special reserve*	Securities premium account	Capital reserve	Retained earnings		
				Undistributable (IndAS 101)	Distributable	
Balance as at April 1, 2023	257.83	1,947.05	50.91	5.53	(177.45)	2,083.87
Profit/ (Loss) for the year	-	-	-	-	(119.68)	(119.68)
Distributions made to holders of instruments entirely equity in nature	-	-	-	-	(143.36)	(143.36)
Balance as at March 31, 2024	257.83	1,947.05	50.91	5.53	(440.49)	1,820.83

***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 to standalone financial statements

As per our report of even date attached
For B R Maheswari & Co LLP
Chartered Accountants
Firm Registration Number: 001035N/N500050

AKSHAY MAHESHWARI Digitally signed by AKSHAY MAHESHWARI Date: 2025.05.10 21:29:49 +05'30'

Akshay Maheshwari
Partner
Membership No. 504704

Place: Delhi
Date: May 10, 2025

For and on behalf of the Board of Directors

PATHAMADAI BALACHANDRAN BALAJI Digitally signed by PATHAMADAI BALACHANDRAN BALAJI Date: 2025.05.10 20:22:14 +05'30'

P.B. Balaji
Director
(DIN - 02762983)

MOHIT AGARWAL Digitally signed by MOHIT AGARWAL Date: 2025.05.10 19:52:11 +05'30'

Mohit Agarwal
Chief Financial Officer

Place: Mumbai
Date: May 10, 2025

NARUMANCHI VENKATA SIVAKUMAR Digitally signed by NARUMANCHI VENKATA SIVAKUMAR Date: 2025.05.10 19:26:41 +05'30'

N. V. SIVAKUMAR
Director
(DIN - 03534101)

NEERAJ KUMAR DWIVEDI Digitally signed by NEERAJ KUMAR DWIVEDI Date: 2025.05.10 19:20:26 +05'30'

Neeraj Dwivedi
Company Secretary
Membership No :- ACS20874

TMF HOLDINGS LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

1 Company information

TMF Holdings Limited (the '"Company"') having CIN - U65923MH2006PLC162503 is registered as a Non-Banking Financial (Non-Deposit Accepting or Holding) Company ('"NBFC"') under section 45-IA of the Reserve Bank of India ('RBI'), Act 1934 with effect from August 9, 2006. Pursuant to application requesting for conversion of the Company to a Core Investment Company, submitted to RBI on June 23, 2017, RBI issued a fresh Certificate of Registration of NBFC - Non-Deposit taking - Systemically Important - Core Investment Company (CIC) dated October 12, 2017, to the Company. The Company is a subsidiary of Tata Motors Limited. With effect from June 17, 2017, the name of the Company had changed to TMF Holdings Limited from Tata Motors Finance Limited.

The Company is primarily a holding company, holding investments in its subsidiaries and other Group companies.

The standalone financial statements were approved by the Board of Directors and authorized for issue on May 10, 2025

2 Basis of preparation of standalone financial statements

2.1 Statement of compliance

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

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

The standalone financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest crores, except when otherwise indicated. "0" refers to value rounded below rounding off norms.

2.2 Historical cost convention

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

2.3 Presentation of standalone financial statements

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

3 Material Accounting Policies

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

(i) Use of estimates and judgments

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

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are 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(ii) - Recognition of interest income/expenses using Effective Interest Rate (EIR) method.

b) Note 3(iii) - Recognition of deferred tax assets.

c) Note 3(v) - Useful lives of property, plant and equipment.

d) Note 3(vi) - Measurement and recognition of provisions and contingencies.

e) Note 3(ix)- Business model assessment for classification and measurement of financial assets

f) Note 3(ix) - Impairment of financial assets based on the expected credit loss model

g) Note 3(ix)- Effective Interest Rate (EIR) methodology that represents the best estimate of a constant rate of return over the expected behavioral life of financial instruments.

h) Note 3(x) and 36 - Fair value measurement of financial instruments.

i) Note 32 - Disclosure of contingent liabilities.

(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 recognized in interest income with the corresponding adjustment to the carrying amount of the assets.

(iii) Income Taxes

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

Current income taxes are determined based on respective taxable income of the 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 unutilized business loss and unabsorbed 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 realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

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

(iv) Investment Property

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

(v) Property, Plant and equipment (PPE)

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

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

An item of PPE is de-recognized 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 recognized 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 up to 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 ₹ 5,000/- are expensed off at the time of purchase.

(vi) Provisions and Contingent Liabilities

A provision is recognized 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 recognized in the standalone financial statements.

(vii) Dividend

Any dividend declared or paid by the 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, 2025, are also subject to guidelines of RBI in this regard.

(viii) Investment in Subsidiaries and Joint Ventures

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

(ix) 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 recognized when the Company becomes a party to the contractual provisions of the instrument.

(A) Financial Assets

Initial recognition and measurement

All financial assets are recognized 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 marketplace (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 amortized 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 statement of profit or loss. The losses arising from impairment are recognised in the statement of 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 lifetime and 12 months) are calculated on a collective basis considering the homogeneous nature of the underlying portfolio of financial assets. For stage 1 and stage 2 assets, the company makes provision at higher of requirement as per ECL model and as per RBI norms.

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

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

- Stage 1: Low credit risk, i.e. 0 to 30 days past due

- Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due

- Stage 3: Credit impaired assets, i.e. more than 90 days past due or cases where the Company suspects fraud and legal proceedings are initiated.

Definition of default

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

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

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.

ECL on Debt instruments measured at amortised cost

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

ECL on Debt instruments measured at fair value through OCI

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

Write-off

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

(IV) Derecognition of financial assets

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

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

(B) Financial liabilities and equity instruments

Classification as debt or equity

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

(I) Financial liabilities

Initial recognition and measurement

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

Derecognition of financial liabilities:

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

Modification/Renegotiation that do not result in derecognition

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

(II) Equity Instrument

An equity instrument is any contract that evidences residual interests in the assets of the Company after deducting all of its liabilities.

Incremental costs incurred which are directly attributable to the issue of new shares are shown in equity as deduction, net of tax, from the proceeds.

(III) Instruments entirely equity in nature

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

(IV) Compound financial instrument

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

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

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

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

(x) 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.

(xi) Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind As 116 – Leases , relating to sale and lease back transactions, applicable from April 1, 2024. The Company has assessed that there will be no significant impact on its financial statements.

4 Cash and cash equivalents

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Balance with banks	2.81	9.21
Total	2.81	9.21

5 Other bank balances

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Deposits with banks	-	104.25
Total	-	104.25

6 Trade receivables

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Receivables considered good - Unsecured	-	0.48
Less: Impairment loss allowance	-	-
Total	-	0.48

No trade receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade receivable are due from firms including limited liability partnership (LLP) or private companies respectively in which any director is a partner, a director or a member. No ageing of trade receivable as the balance outstanding on March 31, 2025 is nil.

Trade Receivables ageing schedule

(₹ in crores)

As at March 31, 2024	Not due	Unbilled	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	-	-	0.48	-	-	-	-	0.48
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	-	-	0.48	-	-	-	-	0.48

7 Loans

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
(A) At amortised cost		
Credit substitutes	-	365.56
Inter corporate deposits (repayable on demand)	205.65	387.00
Total (A) - Gross	205.65	752.56
Less: Impairment loss allowance	(60.40)	(3.01)
Total (A) - Net	145.25	749.55
(B) Unsecured	205.65	752.56
Total (B) - Gross	205.65	752.56
Less: Impairment loss allowance	(60.40)	(3.01)
Total (B) - Net	145.25	749.55
(C) Loans in India		
(a) Public Sector	-	-
(b) Others	205.65	752.56
Total (C) - Gross	205.65	752.56
Less: Impairment loss allowance	(60.40)	(3.01)
Total (C) - Net	145.25	749.55

(i) The Company has not given loans or advances to promoters, directors and KMPs (as defined under the Companies Act, 2013), either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

(ii) The Company have given loans to related parties, that are repayable on demand or without specify any terms of repayment as follows: -

(₹ in crores)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Amount of loan or advance in the nature of loan outstanding	% to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% to the total Loans and Advances in the nature of loans
Related parties	205.65	100.00%	387.00	51.42%

8 Investments

(₹ in crores)

Particulars	As at March 31, 2025				As at March 31, 2024			
	At fair value through profit or loss	Amortised cost	Others (at cost)	Total	At fair value through profit or loss	Amortised cost	Others (at cost)	Total
Mutual Funds	56.13	-	-	56.13	-	-	-	-
Debt securities	-	600.00	-	600.00	-	600.00	-	600.00
Equity instruments								
-Subsidiaries	-	-	69.38	69.38	-	-	7,315.14	7,315.14
Total (A) - Gross	56.13	600.00	69.38	725.51	-	600.00	7,315.14	7,915.14
Investments in India	56.13	600.00	69.38	725.51	-	600.00	7,315.14	7,915.14
Investments outside India	-	-	-	-	-	-	-	-
Total (B)	56.13	600.00	69.38	725.51	-	600.00	7,315.14	7,915.14
Less: Allowance for impairment loss (C)	-	-	(69.38)	(69.38)	-	-	-	-
Total (D) = (A+C)	56.13	600.00	-	656.13	-	600.00	7,315.14	7,915.14

Annexure I

	As at March 31, 2025		As at March 31, 2024	
	Quantity	(₹ in crores)	Quantity	(₹ in crores)
a) Investments measured at fair value through profit and loss				
Mutual fund	-	56.13	-	-
Total	-	56.13	-	-
(b) Investments measured at Amortised Cost				
(i) Debt Securities (quoted)				
Fully paid unsecured subordinated non-convertible debentures				
Tata Motors Finance Limited - [Coupon rate - 9.95%]	2,000	200.00	2,000	200.00
Subtotal	2,000	200.00	2,000	200.00
(ii) Debt Securities (unquoted)				
Fully paid unsecured subordinated non-convertible debentures				
Tata Motors Finance Limited [Coupon rate - 9%]	2,000	200.00	2,000	200.00
Tata Motors Finance Limited [Coupon rate - 10%]	1,000	100.00	1,000	100.00
Tata Motors Finance Limited [Coupon rate - 10.25%]	1,000	100.00	1,000	100.00
Subtotal	4,000	400.00	4,000	400.00
(iii) Fully paid unsecured optionally convertible zero coupon debentures				
Loginomic Tech Solutions Private Limited ("TruckEasy")	835,000	-	835,000	-
Subtotal	835,000	-	835,000	-
Total (i + ii + iii)		600.00		600.00
(c) Investments measured at Cost				
Equity Instruments				
(i) Subsidiaries				
TMF Business Services Limited [Face Value ₹ 3.80/-] (Refer note below)	97,965,962	-*	96,143,953	69.37
Tata Motors Finance Limited [Face Value ₹100/-] (Refer note below)	-	-	496,939,176	7,245.76
Subtotal		-		7,315.14
(ii) Joint Venture				
Loginomic Tech Solutions Private Limited ("TruckEasy") [Face Value ₹10/-]	31,200		31,200	
Subtotal	31,200	-	31,200	-
Total (i + ii)		-		7,315.14

* During the year ended March 31, 2025, the Company has evaluated its investments in equity instrument of TMF Business Services Limited [formerly known as Tata Motors Finance Limited]("TMFBSL") for indicators of impairment, and accordingly considered allowance for impairment loss of ₹ 69.38 crores.

Note:

1. The Company has purchased 18,22,016 shares of TMFBSL at ₹ 0.05 per share during the year ended March 31, 2025.
2. The National Company Law Tribunal "NCLT" has sanctioned the Scheme of Arrangement of amalgamation of Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited] "TMFL" into Tata Capital Limited "TCL"on May 01, 2025. The scheme is effective from May 8, 2025, with appointed date being April 1, 2024. Pursuant to the scheme, TMFL has ceased to be a wholly subsidiary of the Company, as at April 1, 2024 and the Company will receive equity shares in the ratio of 37:100, i.e. 18,38,67,495 equity shares having face value of ₹ 100 each of TCL in lieu of 49,69,39,176 equity shares having face value of ₹ 100/- of TMFL.

9 Other financial assets

(₹ in crores)

		As at March 31, 2025	As at March 31, 2024
(a)	Deposits	0.34	0.37
(b)	Interest accrued on investments	31.57	30.57
(c)	Others- Investment in Tata Capital Limited (Refer note below)	8,016.62	-
	Total	8,048.53	30.94

Note - The NCLT has sanctioned the Scheme of Arrangement of amalgamation of TMFL into TCL on May 01, 2025. Pursuant to the scheme, the Company will receive equity shares in the ratio of 37:100, i.e. 18,38,67,495 equity shares having face value of ₹ 100 each of TCL in lieu of 49,69,39,176 equity shares having face value of ₹ 100/- of TMFL, which the Company has accounted at fair value through profit and loss recording an increase in value by ₹ 770.85 crores basis the fair valuation done as on reporting date.

10 Investment Property

(₹ in crores)

	Buildings	Total
Cost as at April 1, 2024	22.46	22.46
Additions	-	-
Cost as at March 31, 2025	22.46	22.46
Accumulated depreciation as at April 1, 2024	(4.73)	(4.73)
Depreciation for the year	(0.36)	(0.36)
Accumulated depreciation as at March 31, 2025	(5.09)	(5.09)
Net carrying amount as at March 31, 2025	17.37	17.37
Cost as at April 1, 2023	22.46	22.46
Additions	-	-
Cost as at March 31, 2024	22.46	22.46
Accumulated depreciation as at April 1, 2023	(4.37)	(4.37)
Depreciation for the year	(0.36)	(0.36)
Accumulated depreciation as at March 31, 2024	(4.73)	(4.73)
Net carrying amount as at March 31, 2024	17.73	17.73

(a) Income and expenditure of investment property

(₹ in crores)

		As at March 31, 2025	As at March 31, 2024
(i)	Rental income derived from investment property	4.54	4.54
(ii)	Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income	0.59	0.56
(iii)	Depreciation	0.36	0.36

(b) The fair value of the investment property amounted to ₹ **43.25 crores** (As at March 31, 2024: ₹ 43.25 crores). The fair value measurement for investment property has been categorised as Level 2 fair value based on the inputs to the valuation technique used.

(c) There is no restriction on the realisability of investment property or the remittance of income and proceeds of disposal.

(d) There was no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements of investment property at March 31, 2025 and at March 31, 2024.

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

11 Property, plant and equipment

(₹ in crores)

	Furniture, fixtures and office equipment	Vehicles	Total
Cost as at April 1, 2024	8.21	-	8.21
Disposal/Adjustments	(0.46)	-	(0.46)
Cost as at March 31, 2025	7.75	-	7.75
Accumulated depreciation as at April 1, 2024	(7.80)	-	(7.80)
Depreciation for the year	0	-	-
Disposal/Adjustments	0.44	-	0.44
Accumulated depreciation as at March 31, 2025	(7.36)	-	(7.36)
Net carrying amount as at March 31, 2025	0.39	-	0.39
Cost as at April 1, 2023	8.38	0.52	8.90
Disposal/Adjustments	(0.17)	(0.52)	(0.69)
Cost as at March 31, 2024	8.21	-	8.21
Accumulated depreciation as at April 1, 2023	(7.93)	(0.50)	(8.43)
Depreciation for the year	(0.02)	-	(0.02)
Disposal/Adjustments	0.15	0.50	0.65
Accumulated depreciation as at March 31, 2024	(7.80)	-	(7.80)
Net carrying amount as at March 31, 2024	0.41	-	0.41

12 Other non-financial assets

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
(a) Deposits with statutory authorities	0.04	0.04
(b) Prepaid expenses	0.01	0.09
(c) Taxes recoverable and dues from government	0.14	0.06
(d) Taxes paid under protest	0.01	0.01
(e) Others	0.04	0.04
Total	0.24	0.24

13 Payables

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises	0.11	0
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	0.28	0.75
Total	0.39	0.75

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 is as follows:

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
a) Principal amount not due	0.11	0
b) Principal amount due	-	-
c) Interest due on above		
d) Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
e) Amount of interest due and payable for the period of delay	-	-
f) Amount of interest accrued and remaining unpaid as at year end	-	-
g) Amount of further remaining due and payable in the succeeding year	-	-
Total	-	-

Trade Payables aging schedule

(₹ in crores)

As at March 31, 2025

	Not due	Unbilled	Outstanding for following periods from due date of payment: Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	0.11	-	0	-	-	-	0.11
(ii) Others	0.14	-	0.14	-	-	-	0.28
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	0.25	-	0.14	-	-	-	0.39

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

(₹ in crores)

As at March 31, 2024

	Not due	Unbilled	Outstanding for following periods from due date of payment: Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	0	-	-	-	-	-
(ii) Others	-	0.40	0.35	-	-	-	0.75
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	0.40	0.35	-	-	-	0.75

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

14 Debt securities

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Unsecured		
(a) Privately placed non-convertible debentures	1,116.08	2,542.19
(b) Commercial Paper (net of unamortised borrowing cost of ₹ nil and ₹ 28.71 crores at March 31, 2025 and March 31, 2024, respectively)	-	896.29
Total (A)	1,116.08	3,438.48
(i)Debt securities in India	1,116.08	3,438.48
(ii)Debt securities outside India	-	-
Total (B)	1,116.08	3,438.48

Details of non-convertible debentures (Unsecured)

(₹ in crores)

	As at March 31, 2025		As at March 31, 2024	
From Balance sheet Date	Interest Rate Range	Amount	Interest Rate Range	Amount
Issued on private placement basis				
Maturing within 1 Year	7.69%	389.32	7.02% to 9.42%	1,527.21
Maturing between 1 year to 3 Years	8.53%	831.33	7.69% to 8.53%	1,220.65
Maturing between 3 Years to 5 Years				
Total Face Value		1,220.65		2,747.86
Less: Unamortised borrowing cost		104.57		205.67
Total Amortised cost		1,116.08		2,542.19

Details of Commercial papers (Unsecured)

(₹ in crores)

	As at March 31, 2025		As at March 31, 2024	
From Balance sheet Date	Interest Rate Range	Amount	Interest Rate Range	Amount
Maturing within 1 Year		-	8.48% to 8.50%	925.00
Total Face Value		-		925.00
Less: Unamortised borrowing cost		-		28.71
Total Amortised cost		-		896.29

15 Borrowings - Other than debt securities

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Inter corporate deposits from related parties (unsecured)	2,145.00	85.00
Total (A)	2,145.00	85.00
(i) Borrowings in India	2,145.00	85.00
(ii) Borrowings outside India	-	-
Total (B)	2,145.00	85.00

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

Details of inter corporate deposits (ICDs)

(₹ in crores)

	As at March 31, 2025		As at March 31, 2024	
From Balance sheet Date	Interest Rate Range	Amount	Interest Rate Range	Amount
Maturing within 1 Year	8.25% to 8.92%	2,145.00	8.92%	85.00
Total Face Value		2,145.00		85.00
Less: Unamortised borrowing cost		-		-
Total Amortised cost		2,145.00		85.00

16 Other financials liabilities

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
(a) Interest accrued on borrowings	-	22.11
(b) Others	26.04	26.04
Total	26.04	48.15

17 Provisions

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Provision for expenses	0.07	0.12
Total	0.07	0.12

18 Other non-financial liabilities

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Statutory dues	2.80	1.39
Total	2.80	1.39

TMF HOLDINGS LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

19 Share Capital

	As at March 31, 2025	(₹ in crores) As at March 31, 2024
Authorised		
3,00,00,00,000 Ordinary equity shares of ₹10 each	3,000.00	2,500.00
(as at March 31, 2024: 2,50,00,00,000 Ordinary shares of ₹10 each)		
7,50,00,000 Compulsory convertible preference shares of ₹100 each	750.00	750.00
(as at March 31, 2024: 7,50,00,000 Ordinary shares of ₹100 each)		
Issued, Subscribed and Fully Paid up		
1,74,15,93,442 Ordinary equity shares of ₹10 each	1,741.59	1,741.59
(as at March 31, 2024: 1,74,15,93,442 Ordinary shares of ₹10 each)		
Total	1,741.59	1,741.59

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

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	(₹ in crores)	No. of shares	(₹ in crores)
Shares outstanding at the beginning of the year	1,741,593,442	1,741.59	1,741,593,442	1,741.59
Equity shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,741,593,442	1,741.59	1,741,593,442	1,741.59

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

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% of issued share capital	No. of shares	% of issued share capital
Equity shares with voting rights				
Tata Motors Limited	1,741,593,442	100%	1,741,593,442	100%

c) Details of equity shares held by Promoters:

Promoter name	As at March 31, 2025			As at March 31, 2024		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Tata Motors Limited	1,741,593,442	100%	Nil	1,741,593,442	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 recognized at the end of the year

The company has not declared dividends during the financial year ended March 31, 2025 and March 31, 2024.

20 Instruments entirely equity in nature

	As at March 31, 2025		As at March 31, 2024	
	Number	(₹ in crores)	Number	(₹ in crores)
Balance as at beginning of the year	18,000	1,800.00	18,000	1,800.00
Issue during the year	-	-	-	-
Balance as at end of the year	18,000	1,800.00	18,000	1,800.00

The Company has issued 18,000 subordinated, listed, unsecured, rated perpetual securities of face value of ₹ 10 crores each aggregating to ₹ 1,800.00 crores. 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:

Options Exercisable Date	Amount (₹ in crores)	Status of Options Exercised by Tata Motors Limited
11th August, 2024	195.00	Exercised
18th August, 2024	305.00	Exercised
04th November, 2025	100.00	Not due
27th November, 2025	100.00	Not due
2nd December, 2025	150.00	Not due
30th December, 2025	150.00	Not due
15th September, 2026	100.00	Not due
28th September, 2026	100.00	Not due
30th September, 2026	150.00	Not due
30th June, 2027	200.00	Not due
30th September, 2027	250.00	Not due

21 Notes to reserves

(i) 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.

(ii) 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.

(iii) 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 Frequently Asked Questions (FAQ) issued by the Ind AS Transition Facilitation Group.

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

22 Interest Income

(₹ in crores)

	For the year ended March 31, 2025	For the year ended March 31, 2024
On financial assets measured at amortised cost		
(a) Interest on loans	1.90	30.39
(b) Interest income from investments	58.13	58.17
(c) Interest on deposits with banks	5.09	8.39
(d) Other interest income	24.51	28.13
Total	89.63	125.08

23 Net gain on fair value changes

(₹ in crores)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Net gain on Fair Value changes:		
(a) Realised	10.45	13.01
(b) Unrealised	0.11	-
Total	10.56	13.01

24 Other Income

(₹ in crores)

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Support services income	-	25.50
(b) Balances written back	0.10	0.11
(c) Net gain on derecognition of property, plant and equipment	0.02	0.01
(d) Interest on income tax refund	2.94	-
Total	3.06	25.62

25 Finance Costs

(₹ in crores)

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Interest on borrowings	49.78	2.69
(b) Interest on debt securities	218.99	282.68
(c) Other finance charges	0	0.01
Total	268.77	285.38

26 Impairment on financial instruments and other assets

(₹ in crores)

		For the year ended March 31, 2025	For the year ended March 31, 2024
Impairment on financial assets			
Loans (at amortised cost)			
	- Allowance for loan losses	(3.00)	(1.52)
	- Loans written off	-	-
Investments (at amortised cost)			
	- Allowance for investments	-	(11.01)
	- Investments written off	-	11.01
Other financial assets			
	- Allowance for doubtful assets	-	0
	- Other write off	0.03	0
Total		(2.97)	(1.52)

27 Other expenses

(₹ in crores)

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Rent, taxes and energy costs	0.16	0.21
(b) Repairs and maintenance	0.38	0.35
(c) Director's fees, allowances and expenses	0.31	0.30
(d) Auditor's fees and expenses	0.28	0.27
(e) Legal and professional charges	1.25	0.97
(f) Insurance	0.04	0.04
(g) Service provider fees	1.05	1.09
(h) Other expenses (Refer note below)	0.44	0.47
Total	3.91	3.70

Note -

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

(₹ in crores)

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) As auditors - Statutory audit	0.18	0.18
(b) As auditors - Tax audit	0.01	0.02
(c) For other services	0.07	0.07
(d) Reimbursement of out of pocket expenses	0.02	0
Total	0.28	0.27

(ii) Corporate social responsibility

The prescribed CSR expenditure required to be spent during the year ended March 31, 2025 and 2024 as per the Companies Act, 2013 is Nil, 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 34.

28 Income taxes

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

(₹ in crores)

	For the year ended March 31, 2025	For the year ended March 31, 2024
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	104.37	-
Total deferred tax expense/(benefit)	104.37	-
Income Tax expense	104.37	-

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 crores)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before taxes	478.79	(119.68)
Statutory tax rate	25.168%	25.168%
Income tax expenses calculated at statutory tax rate	120.50	(30.12)
Tax effect of the amount which are not taxable in calculating taxable income :		
- Deferred tax assets not recognised because realization is not probable	(120.50)	30.12
- Others	104.37	-
Income tax expense/(credit) recognised for the year at effective tax rate	104.37	-

c) Significant components of deferred tax assets and liabilities for the year ended March 31, 2025

(₹ in crores)

	Opening balance	Recognised in statement of profit and loss	Closing balance
Deferred tax assets:			
Property, plant & equipment - Accumulated depreciation	-	-	-
Expenses deductible in future years:	-	-	-
Provisions for impairment allowances on financial assets	-	-	-
Compensated absences and retirement benefits allowable on payment basis	-	-	-
Others	-	-	-
Total deferred tax assets	-	-	-
Deferred tax liabilities:			-
Fair Valuation of financial assets measured at FVTOCI and FVTPL	-	-	-
Income to be taxed on actual receipt basis	-	104.37	104.37
Sourcing commission claimed on incurrence basis	-	-	-
Others	-	-	-
Total deferred tax liabilities	-	104.37	104.37
Net assets/(liabilities)	-	(104.37)	(104.37)

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, 2025, unrecognised deferred tax assets amounted to ₹ Nil (As at March 31, 2024 - ₹ 10.01 crores) which can be carried forward indefinitely and ₹ 286.39 crores (As at March 31, 2024 - ₹ 255.22 crores) 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:

	Amount (₹ in crores)
March 31, 2026	18.00
March 31, 2027	14.23
March 31, 2028	8.18
March 31, 2029	34.18
March 31, 2030	24.01
March 31, 2031	46.42
March 31, 2032	67.22
March 31, 2033	74.15
Thereafter	-
Total	286.39

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 crores), except per share data)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Basic		
Net profit / (loss) attributable to equity share holders (Refer Note i)	231.07	(263.04)
Weighted average no. of equity shares outstanding	1,741,593,442	1,741,593,442
Basic earnings per share (₹)	1.33	(1.51)
Diluted		
Net profit / (loss) attributable to equity share holders (Refer Note i)	231.07	(263.04)
Weighted average no. of equity shares outstanding	1,741,593,442	1,741,593,442
Diluted earnings per share (₹)	1.33	(1.51)
Face value per share (₹)	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	374.42	(119.68)
Less - Distribution made to holders of perpetual instruments	(143.35)	(143.36)
Net profit / (loss) attributable to equity share holders	231.07	(263.04)

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

Company as lessor- Operating Leases

The Company has given office premises under operating lease. The Company has recognised lease rental income from leasing of office premises amounting to ₹ 4.54 crores (March 31, 2024: ₹ 4.54 crores) 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 minimize 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.

32 Contingent liabilities and commitments

(i) As at March 31, 2025, the company does not have any contingent liabilities. (As at March 31, 2024: Nil).
(ii) Commitments: Loan commitment as at March 31, 2025, is **₹ 794.35 crores** (As at March 31, 2024: ₹ 1231.00 crores).

33 Other Statutory Information

i. 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, 2025, and as at March 31, 2024.

ii. As at March 31, 2025, borrowings from banks or financial institutions on the basis of security of current assets is Nil (March 31, 2024: nil).

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

iv. During the year ended March 31, 2025 and March 31, 2024, 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.

v. There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period as at March 31, 2025, and at March 31, 2024.

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

vii. 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

viii. 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.

34 Related party disclosures

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

I. Holding Company: Tata Motors Limited

II. Subsidiaries

Tata Motors Finance Limited (ceases to be a subsidiary w.e.f. April 01, 2024, (refer note 40(q)).
TMF Business Services Limited

III. Other related parties with whom transactions have taken place during the current and previous year

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

Tata Motors Global Services Limited (formerly known as TML Business Services Limited)
Tata Technologies 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

IV. Key Management personnel:

Mr. Nasser Munjee, Independent Director and Chairman
Mr. P. B. Balaji - Non-Executive Director
Mrs. Varsha Purandare - Independent Director
Mr. N. V. Sivakumar - Independent Director
Mr. Shyam Mani - Non-Executive Director (upto August 31, 2023)
Mr. Samrat Gupta - Non-Executive Director (upto October 15, 2024)
Mr. P. S. Jayakumar, Independent Director (upto November 7, 2023)
Mr. Dhiman Gupta - Non-Executive Director (upto December 23, 2024)
Ms. Ridhi Gangar - Chief Financial Officer (upto November 30, 2024)
Mr. Amit Mittal – Chief Financial Officer (from December 1, 2024 to April 15, 2025)
Mr. Mohit Agarwal – Chief Financial Officer (w.e.f April 15, 2025)
Mr. Vinay Lavannis - Company Secretary (upto March 31, 2025)
Mr. Anand Bang, Manager
Mr. Neeraj Dwivedi – Company Secretary (w.e.f. April 1, 2025)

(b) The following table summarizes related-party transactions for the year ended/ as at March 31, 2025.

(₹ in crores)

	Holding Company	Subsidiaries	Joint Venture	Other Related Parties	Total
a) Transactions during the year					
Rent income	-	0.02	-	-	0.02
Interest income on channel financing / Loan / bonds	-	-	-	1.90	1.90
Expenses for support services (incl. reimbursement of expenses) (Refer note (i))	0.10	-	-	0.47	0.57
Loans and advances recovered	-	-	-	365.56	365.56
Inter corporate deposits placed	-	221.65	-	-	221.65
Inter corporate deposits recovered	118.00	285.00	-	-	403.00
Interest income on inter corporate deposits placed	1.21	23.30	-	-	24.51
Investment in equity share capital	-	0.01	-	-	0.01
Exercise of put option on Hybrid perpetual bonds	500.00	-	-	-	500.00
Interest expense on inter corporate deposits accepted	49.26	-	-	-	49.26
Inter corporate deposits accepted	2,940.00	-	-	-	2,940.00
Inter corporate deposits repaid	795.00	-	-	-	795.00
b) Closing Balance					
Amount receivable in respect of inter corporate deposits	-	205.65	-	-	205.65
Amount payable in respect of inter company deposit	2,145.00	-	-	-	2,145.00
Amount payable others	0.15	-	-	0.01	0.16

(c) The following table summarises related-party transactions for the year ended/ as at March 31, 2024.

(₹ in crores)

	Holding Company	Subsidiaries	Joint Venture	Other Related Parties	Total
a) Transactions during the year					
Rent income	-	4.54	-	-	4.54
Interest income on channel financing / Loan	-	-	-	30.39	30.39
Interest income on unsecured Tier-II debenture	-	58.17	-	-	58.17
Expenses for support services (incl. reimbursement of expenses) (Refer note (i))	0.08	1.09	-	0.47	1.64
Other expenses	-	-	-	0.08	0.08
Loans and advances given	-	-	-	5,593.94	5,593.94
Loans and advances recovered	-	-	-	6,061.55	6,061.55
Inter corporate deposits placed	118.00	672.00	-	-	790.00
Inter corporate deposits recovered	-	703.00	-	-	703.00
Interest income on inter corporate deposits placed	0.02	28.10	-	-	28.12
Interest expense on inter corporate deposits accepted	-	2.69	-	-	2.69
Inter-Corporate Deposits placed	-	740.00	-	-	740.00
Inter corporate deposits accepted	-	700.00	-	-	700.00
b) Closing Balance					
Amount receivable in respect of inter corporate deposits	118.00	269.00	-	-	387.00
Amount receivable others	-	0.45	-	-	0.45
Amount receivable in respect of interest accrued on deposit & investments	-	30.57	-	-	30.57
Amount receivable in respect of debenture	-	600.00	-	-	600.00
Amount payable in respect of inter company deposit	-	85.00	-	-	85.00
Amount receivable - credit substitutes	-	-	-	363.93	363.93
Amount receivable in respect of interest accrued - credit substitutes	-	-	-	1.62	1.62
Amount payable others	0.11	0.28	-	0.12	0.51

Notes:

(i) Includes amount cross charged by subsidiaries for support services and remuneration to Key Managerial Personnel.
(ii) Investments in optionally convertible zero-coupon debentures of ₹ 8.35 crores and equity shares of ₹ 2.66 crores in Loginomic Tech Solutions Private Limited ("TruckEasy") was written off during the year ended March 31, 2024.

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.

(e) Key management personnel remuneration:

(₹ in crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Sitting fees paid to independent directors	0.31	0.30

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

(₹ in crores)

Particulars	As at April 01, 2024	Cash Flows (net)	Exchange Difference	Amortisation of loan origination costs	As at March 31, 2025
Debt Securities	3,438.48	(2,355.57)	-	33.17	1,116.08
Borrowings (other than Debt securities)	85.00	2,060.00	-	-	2,145.00
Total Liabilities from Financing Activities	3,523.48	(295.57)	-	33.17	3,261.08

Note: Debt securities includes commercial papers and zero-coupon bonds for which the discounting charges paid is ₹ 37.92 crores and premium charges paid of ₹ 62.21 crores respectively on the repayment date is shown in the finance cost in cash flow statements.

(₹ in crores)

Particulars	As at April 01, 2023	Cash Flows (net)	Exchange Difference	Amortisation of loan origination costs	As at March 31, 2024
Debt Securities	3,686.43	(428.70)	-	180.75	3,438.48
Borrowings (other than Debt securities)	45.00	40.00	-	-	85.00
Total Liabilities from Financing Activities	3,731.43	(388.70)	-	180.75	3,523.48

Note: Debt securities includes commercial papers and zero-coupon bonds for which the discounting charges paid is ₹ 88.95 crores and premium charges paid of ₹ Nil crores respectively on the repayment date is shown in the finance cost in cash flow statements.

36 Fair value measurements

Financial Instruments by categories

(₹ in crores)

Particulars	As at March 31, 2025 FVTPL	As at March 31, 2025 Amortised cost	As at March 31, 2024 FVTPL	As at March 31, 2024 Amortised cost
Financial Assets:				
(a) Investments				
- Mutual funds	56.13	-	-	-
- Debt securities	-	600.00	-	600.00
- Equity instrument	-	-	-	-
(b) Loans	-	145.25	-	749.55
(c) Cash and cash equivalents	-	2.81	-	9.21
(d) Other bank balances	-	-	-	104.25
(e) Trade Receivables	-	-	-	0.48
(f) Other financial assets	-	8,048.53	-	30.94
Total	56.13	8,796.59	-	1,494.43
Financial liabilities:				
(a) Borrowings (Other than Debt securities)	-	2,145.00	-	85.00
(b) Debt securities	-	1,116.08	-	3,438.48
(c) Trade payables	-	0.39	-	0.75
(d) Other financial liabilities	-	26.04	-	48.15
Total	-	3,287.51	-	3,572.38

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 crores)

Particulars	As at March 31, 2025 Carrying value	Fair value	Level 1	Level 2	Level 3	Total
(a) Financial liabilities measured at amortised cost for which fair value is disclosed						
(i) Borrowings	2,145.00	2,145.00	-	2,145.00	-	2,145.00
(ii) Debt Securities	1,116.08	1,119.81	-	1,119.81	-	1,119.81
Total	3,261.08	3,264.81	-	3,264.81	-	3,264.81
(b) Financial assets measured at fair value through profit & loss						
(i) Mutual funds	56.13	56.13	56.13	-	-	56.13
(ii) Other financial asset	8,016.62	8,016.62	-	-	8,016.62	8,016.62
Total	8,016.62	8,016.62	-	-	8,016.62	8,016.62
(c) Financial assets measured at amortised cost for which fair value is disclosed						
Loans	145.25	145.25	-	145.25	-	145.25
Total	145.25	145.25	-	145.25	-	145.25

(₹ in crores)

Particulars	As at March 31, 2024 Carrying value	Fair value	Level 1	Level 2	Level 3	Total
(a) Financial liabilities measured at amortised cost for which fair value is disclosed						
(i) Borrowings	85.00	85.00	-	85.00	-	85.00
(ii) Debt Securities	2,542.19	2,536.85	-	2,536.85	-	2,536.85
Total	2,627.19	2,621.85	-	2,621.85	-	2,621.85
(b) Financial assets measured at fair value through profit & loss						
Investments						
- Mutual funds	-	-	-	-	-	-
Total	-	-	-	-	-	-
(c) Financial assets measured at amortised cost for which fair value is disclosed						
Loans	749.55	749.55	-	385.45	364.10	749.55
Total	749.55	749.55	-	385.45	364.10	749.55

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, 2025, and March 31, 2024.

Valuation technique used to determine fair value of financial instruments

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

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

Fair value of financial assets/liabilities measured at amortised cost

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

37 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 crores)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Current	Non current	Total	Current	Non current	Total
ASSETS						
Financial assets						
Cash and cash equivalents	2.81	-	2.81	9.21	-	9.21
Bank Balance other than cash and cash equivalents	-	-	-	104.25	-	104.25
Receivables						
Trade receivables	-	-	-	0.48	-	0.48
Loans	145.25	-	145.25	749.55	-	749.55
Investments	56.13	600.00	656.13	-	7,915.14	7,915.14
Other financial assets	31.57	8,016.96	8,048.53	30.57	0.37	30.94
Non-financial assets						
Current tax assets (net)	-	121.35	121.35	-	110.55	110.55
Investment Property	-	17.37	17.37	-	17.73	17.73
Property, plant and equipment	-	0.39	0.39	-	0.41	0.41
Other non-financial assets	0.19	0.05	0.24	0.19	0.05	0.24
Total assets	235.95	8,756.12	8,992.07	894.25	8,044.25	8,938.50
LIABILITIES AND EQUITY						
Financial liabilities						
Trade payables						
total outstanding dues of micro enterprises and small enterprises	0.11	-	0.11	0	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	0.28	-	0.28	0.75	-	0.75
Debt securities	375.39	740.69	1,116.08	2,407.48	1,031.00	3,438.48
Borrowings (Other than debt securities)	2,145.00	-	2,145.00	85.00	-	85.00
Other financials liabilities	-	26.04	26.04	22.11	26.04	48.15
Non-financial liabilities			-			
Current tax liabilities (net)	3.83	-	3.83	2.19	-	2.19
Provisions	0.07	-	0.07	0.12	-	0.12
Deferred tax liabilities (net)	104.37	-	104.37	-	-	-
Other non-financial liabilities	2.80	-	2.80	1.39	-	1.39
Total liabilities	2,631.85	766.73	3,398.58	2,519.04	1,057.04	3,576.08
Net	(2,395.90)	7,989.39	5,593.49	(1,624.79)	6,987.21	5,362.42

38 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 deposit.

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, 2025, that defaults in payment obligations will occur.

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 ₹ **205.65 crores** as of March 31, 2025 (March 31, 2024 - ₹ 752.55 crores)

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, 2025:

(₹ in crores)

	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	2,145.00	2,145.00	-	-	-	2,145.00
Debt securities	1,116.08	389.32	831.33	-	-	1,220.65
Trade & Other payables	0.39	0.39	-	-	-	0.39
Other financial liabilities	26.04	-	-	-	26.04	26.04
Total	3,287.51	2,534.71	831.33	-	26.04	3,392.08

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2024:

(₹ in crores)

	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	85.00	92.58	-	-	-	92.58
Debt securities	3,438.48	2,532.88	389.32	831.33	-	3,753.53
Trade and Other payables	0.75	0.75	-	-	-	0.75
Other financial liabilities	48.15	22.11	-	-	26.04	48.15
Total	3,572.38	2,648.32	389.32	831.33	26.04	3,895.01

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 crores)

	As at March 31, 2025	As at March 31, 2024
Non-derivative financial liabilities		
Variable rate borrowings	-	600.00

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 ₹ Nil and ₹ 6.00 crores on income for the year ended March 31, 2025 and March 31, 2024 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. Capital to Risk-weighted Assets Ratio (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 crores)

	As at March 31, 2025	As at March 31, 2024
CRAR (%)	41.40%	35.82%
CRAR - Tier I capital (%)	41.40%	35.82%
CRAR - Tier II capital (%)	0.00%	0.00%
Amount of Subordinated Debt raised as Tier II Capital (₹ in crores)	-	-
Amount raised by issue of Perpetual Debt Instruments (₹ in crores)	-	-
Liquidity Coverage Ratio	NA	NA

39 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

		As at March 31, 2025	As at March 31, 2024
1	Investments & loans to group companies as a proportion of Net Assets (%)	99.43%	99.43%
2	Investments in equity shares and compulsorily convertible instruments of group companies as a proportion of Net Assets (%)	90.98%	83.94%
3	Capital Adequacy Ratio (%) [Adjusted Net Worth / Risk Weighted Assets]	41.40%	35.82%
4	Leverage Ratio (times) [Outside liabilities / Adjusted Net worth]	1.37	1.51

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

(₹ in crores)

		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, 2025	-	-	-	-	-	-	-	-	-	-	-
		March 31, 2024	-	-	-	-	53.33	-	50.92	-	-	-	104.25
2	Advances	March 31, 2025	-	-	-	-	-	30.00	115.25	-	-	-	145.25
		March 31, 2024	94.82	20.00	366.79	-	-	-	267.94	-	-	-	749.55
3	Investments	March 31, 2025	56.13	-	-	-	-	-	-	200.00	400.00	-	656.13
		March 31, 2024	-	-	-	-	-	-	-	-	300.00	7,615.14	7,915.14
4	Borrowings	March 31, 2025	-	-	-	-	-	375.39	2,145.00	740.69	-	-	3,261.08
		March 31, 2024	-	-	-	641.40	-	-	1,851.09	1,031.00	-	-	3,523.48

TMF HOLDINGS LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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

		As at March 31, 2025	As at March 31, 2024
1	ANW as a % of Risk Weighted Assets	41.40%	35.82%
2	Unrealized appreciation in the book value of quoted investments (₹ in crores)	0.11	-
3	Diminution in the aggregate book value of quoted investments (₹ in crores)	-	-
4	Leverage Ratio	1.37	1.51

(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

		As at March 31, 2025	As at March 31, 2024
1	Off balance sheet exposure (₹ in crores)	294.35	1,231.00
2	Financial Guarantee as a % of total off-balance sheet exposure	100%	100%
3	Non-Financial Guarantee as a% of total off-balance sheet exposure	Nil	Nil
4	Off balance sheet exposure to overseas subsidiaries	Not Applicable	Not Applicable
5	Letter of Comfort issued to any subsidiary	Nil	Nil

(F) Investments

(₹ in crores)

		As at March 31, 2025	As at March 31, 2024
1	Value of Investments		
	(i) Gross Value of Investments		
	a) In India	725.51	7,915.14
	b) Outside India	-	-
	(ii) Provisions for Depreciation		
	a) In India	69.38	-
	b) Outside India	-	
	(iii) Net Value of Investments		
	a) In India	656.13	7,915.14
	b) Outside India	-	-
2	Movement of provisions held towards depreciation on investments	-	
	(i) Opening balance	-	11.01
	(ii) Add : Provisions made during the year	69.38	-
	(iii) Less : Write-off / write-back of excess provisions during the year	-	11.01
	(iv) Closing balance	69.38	-

(G) Business Ratios

		As at March 31, 2025	As at March 31, 2024
1	Return on Equity (RoE)	0.07	(2.23%)
2	Return on Assets (RoA)	0.04	(1.37%)
3	Net profit per employee (₹ in crores)	0.00	0.00

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 the statement of profit and loss

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Allowances for loan losses	57.40	(1.52)
Allowance for investments	69.38	(11.01)
Investments written off	-	11.01
Allowance for doubtful assets	-	0
Other write off	0.03	0

(I) Concentration of NPAs

(₹ in crores)

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

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

	Rating agency	Year	Long-term bank facilities	Short-term bank facilities	Secured Non-convertible debentures	Unsecured NCDs	Commercial papers	Perpetual debt
			Instruments					
1	CRISIL	March 31, 2025	N.A	N.A	N.A	CRISIL AA+/STABLE	CRISIL A1+	CRISIL AA+/STABLE
		March 31, 2024	N.A	N.A	N.A	CRISIL AA/POSITIVE	CRISIL A1+	CRISIL AA/POSITIVE
2	ICRA	March 31, 2025	N.A	N.A	N.A	ICRA AA+/ STABLE	ICRA A1+	N.A
		March 31, 2024	ICRA AA / STABLE	N.A	N.A	ICRA AA / STABLE	ICRA A1+	N.A
3	CARE	March 31, 2025	N.A	N.A	N.A	N.A	CARE A1+	N.A
		March 31, 2024	CARE AA+/ STABLE	CARE A1+	N.A	CARE AA+/ STABLE	CARE A1+	N.A

(K) Sectoral exposure

Sectors	As at March 31, 2025 Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	As at March 31, 2024 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	900.00	-	-	2,383.56	-	-
Total	900.00	-	-	2,383.56	-	-
4 Personal Loans	-	-	-	-	-	-
Total	-	-	-	-	-	-
5 Others, if any	-	-	-	-	-	-

L) Exposure to Capital Market

(₹ in crores)

	Particulars	As at March 31, 2025	As at March 31, 2024
(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;	69.38	7,315.14
(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	69.38	7,315.14

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 crores)	% of Total Deposits	% of Total Liabilities
Five (5 Nos)	3,261.08	NA	95.95%

ii. Top 20 large deposits (% of Total Deposits)

Not Applicable

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

Particulars	(₹ in crores)	% of Total Borrowings
Ten (10 Nos)	3,135.94	96.16%

iv. Funding Concentration based on significant instrument / product

Name of the instrument	(₹ in crores)	% of Total Liabilities
Commercial Paper (CP)	-	0.00%
Non Convertible Debentures (NCDs)	1,116.08	32.84%
Inter-Corporate Deposits (ICD)	2,145.00	63.11%
Total	3,261.08	95.95%

v. Stock Ratios

(₹ in crores)

Particulars	Total Public Funds	Total Liabilities	Total Assets
Commercial papers as a % of	0.00%	0.00%	0.00%
Non Convertible Debentures (original maturity of less than one year) as a % of	NA	NA	NA
Other short-term liabilities as a % of	44.58%	66.39%	25.09%

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

vi. Institutional set-up for liquidity risk management

TMF Holdings Limited (TMFHL) has constituted an Asset Liability Supervisory Committee (ALCO), to oversee liquidity risk management. ALCO consists of Non-Executive Directors, Manager (KMP), Chief Financial Officer, Chief Digital and Marketing Officer, Chief Credit Officer, Chief Risk Officer and Head - Treasury. The ALCO meetings are held every quarter. TMFHL has a Risk Management Committee (RMC), a sub-committee of the Board, which oversees overall risks to which the Company is exposed including liquidity risk management (LRM). ALCO's views on liquidity and asset liability management are presented to RMC for its independent review on a quarterly basis. The ALCO and RMC also updates the Board at regular intervals.

For the previous year i.e. Financial Year 2023-24

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

No. of Significant Counterparties	(₹ in crores)	% of Total Deposits	% of Total Liabilities
Eleven (11 Nos)	3,468.53	NA	96.99%

(ii) Top 20 large deposits (% of Total Deposits)

Not Applicable

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

Particulars	(₹ in crores)	% of Total Borrowings
Ten (10 nos.)	3,422.19	97.13%

(iv) Funding Concentration based on significant instrument / product

Name of the instrument	(₹ in crores)	% of Total Liabilities
Commercial Paper (CP)	896.29	25.06%
Non Convertible Debentures (NCDs)	2,542.19	71.09%
Inter-Corporate Deposits (ICD)	85.00	2.38%
Total	3,523.48	98.53%

(v) Stock Ratios

(₹ in crores)

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

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

(vi) Institutional set-up for liquidity risk management

TMF Holdings Limited (TMFHL) has 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 for financial year 2024-25	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7= 4-6
Performing Asset						
Standard Asset	Stage-1	205.65	60.40	145.25	0.82	59.58
	Stage-2	-	-	-	-	-
Subtotal		205.65	60.40	145.25	0.82	59.58
Non-Performing Asset (NPA)						
SubStandard	Stage-3	-	-	-	-	-
Doubtful up to 1 Year	Stage-3	-	-	-	-	-
1 to 3 Years	Stage-3	-	-	-	-	-
More than 3 Years	Stage-3	-	-	-	-	-
Subtotal of Doubtful		-	-	-	-	-
Loss	Stage-3	-	-	-	-	-
Subtotal of NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage-1	-	-	-	-	-
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
Subtotal		-	-	-	-	-
TOTAL	Stage-1	205.65	60.40	145.25	0.82	59.58
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
		205.65	60.40	145.25	0.82	59.58

Asset Classification as per RBI Norms for financial year 2023-24	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7= 4-6
Performing Asset						
Standard Asset	Stage-1	752.56	3.01	749.55	3.01	-
	Stage-2	-	-	-	-	-
Subtotal		752.56	3.01	749.55	3.01	-
Non-Performing Asset (NPA)						
SubStandard	Stage-3	-	-	-	-	-
Doubtful up to 1 Year	Stage-3	-	-	-	-	-
1 to 3 Years	Stage-3	-	-	-	-	-
More than 3 Years	Stage-3	-	-	-	-	-
Subtotal of Doubtful		-	-	-	-	-
Loss	Stage-3	-	-	-	-	-
Subtotal of NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage-1	-	-	-	-	-
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
Subtotal		-	-	-	-	-
TOTAL	Stage-1	752.56	3.01	749.55	3.01	-
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
		752.56	3.01	749.55	3.01	-

40 Other disclosures

(a) No penalties were imposed by RBI and other regulators during the year ended March 31, 2025. (year ended March 31, 2024: ₹ Nil)

(b) The Company does not have any exposure in real estate sector during the year ended March 31, 2025. (year ended March 31, 2024: ₹ 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 into any derivative contracts during the year ended March 31, 2025 or holds any exposure in respect of derivative transactions as on March 31, 2025. (year ended March 31, 2024: ₹ Nil)

(f) The Company has not drawn down any amounts from the reserves during the year ended March 31, 2025 except as disclosed in Statement of Changes in Equity (year ended March 31, 2024: ₹ Nil).

(g) The Company has not sold any Financial Assets to Securitisation / Reconstruction Company for Asset Reconstruction during the year ended March 31, 2025. (year ended March 31, 2024: ₹ Nil)

(h) There are no loans to directors and its relatives, entities associated with directors and their relatives & senior officers and their relatives.

(i) The Company has not purchased any non-performing financial assets during the year ended March 31, 2025. (year ended March 31, 2024: ₹ Nil)

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

(k) Customer Complaints:

The were nil customer complaints during the year due to no customer interaction.

(l) The amount of unsecured advances stood at ₹ 145.25 (March 31, 2024: ₹ 749.54 crores). Further, the Company has not granted unsecured advances against collateral of intangible securities such as charge over the rights, licenses or authority.

(m) The Company has not obtained any Registration/ licence/ authorisation, by whatever name called, from other financial sector regulators.

(n) The Company has not traded/invested in crypto currency or virtual currency for the year ended March 31, 2025 and March 31, 2024.

(o) There is no unhedged foreign currency exposure as on March 31, 2025 and March 31, 2024. 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.

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

(q) The Board of Directors of TMFL, a wholly-owned subsidiary of the Company, at its meeting held on June 4, 2024, approved (subject to the requisite regulatory and other approvals) a Scheme of Arrangement for amalgamation of the TMFL with and into TCL with appointed date of April 1, 2024. The Scheme has been approved by the NCLT, Mumbai Bench on May 1, 2025. TMFL and TCL has received all other necessary regulatory approvals and the scheme is effective from May 8, 2025. The Company will receive equity shares in the ratio of 37:100, i.e. 18,38,67,495 equity shares having face value of ₹ 100 each of Tata Capital Limited in lieu of 49,69,39,176 equity shares having face value of ₹ 100/- of TMFL.The Company has accounted for transfer of net assets in accordance with the accounting principles generally accepted in India and has recognised the excess of consideration received (Investment value) over the carrying value of net assets transferred as at April 1, 2024, amounting to ₹ **770.85 crores** in statement of profit or loss.

(r) The Company has reported ₹ **641.07 crores** under exceptional items of income and expenditure during the year ended March 31, 2025, out of which ₹ **128.78 crores** is towards provision of impairment of loans and investment in TMFBSL and ₹ **770.85 crores** is towards disposal on account of merger of TMFL to TCL (Refer Note 40(q)). (year ended March 31, 2024: ₹ Nil).

(s) The company does not have any divergence in provisioning and gross NPA reported by company and assessed by RBI during it's last inspection.

(t) No modified opinion(s) or other reservation(s) has been mentioned in the audit report or limited review report in respect of the financial results of any previous financial year or quarter which has an impact on the profit or loss of the reportable period.

(u) There are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year ended
March 31, 2025 and March 31, 2024 in the tax assessments under the Income Tax Act, 1961.

(v) Current period figures are shown in bold prints.

As per our report of even date attached
For B R Maheswari & Co LLP
Chartered Accountants
Firm Registration Number: 001035N/N500050

AKSHAY MAHESHWARI Digitally signed by AKSHAY MAHESHWARI Date: 2025.05.10 21:31:01 +05'30'

Akshay Maheshwari
Partner
Membership No. 504704

Place: Delhi
Date: May 10, 2025

For and on behalf of the Board of Directors

P.B. Balaji
Director
(DIN - 02762983)

MOHIT AGARWAL

Mohit Agarwal
Chief Financial Officer

Place: Mumbai
Date: May 10, 2025

NARUMANCHI VENKATA SIVAKUMAR Digitally signed by NARUMANCHI VENKATA SIVAKUMAR Date: 2025.05.10 19:24:05 +05'30'

N. V. SIVAKUMAR
Director
(DIN - 03534101)

NEERAJ KUMAR DWIVEDI Digitally signed by NEERAJ KUMAR DWIVEDI Date: 2025.05.10 19:21:26 +05'30'

Neeraj Dwivedi
Company Secretary
Membership No :- ACS20874

TMF HOLDINGS LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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 crores)

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)	1,116.08	-
(other than falling within the meaning of public deposits)		
(b) Deferred Credits	-	-
(c) Term Loans	-	-
(d) Inter-corporate loans and borrowings	2,145.00	-
(e) Commercial Papers	-	-
(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	145.25
(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	-
(4)Break-up of Investments:	
Current Investments:	
1 Quoted :	
(i) Shares : (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	200.00
(iii) Units of mutual funds	56.13
(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	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	-
2 Unquoted:	
(i) Shares : (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	400.00
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	-

(5)Borrower group-wise classification of assets financed as in (2) and (3) above :

(₹ in crores)

Category	Amount net of provisions		
	Secured	Unsecured	Total
1 Related Parties			
(a) Subsidiaries	-	145.25	145.25
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2 Other than Related Parties	-	-	-
Total	-	145.25	145.25

(6)Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

(₹ in crores)

	Market Value/ Break up or fair value or NAV	Book Value (Net of Provision)
1 Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2 Other than Related Parties	656.13	656.13
Total	656.13	656.13

(7)Other information

(₹ in crores)

Particulars	Amount
(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 ₹ 104.58 crores.

As per our report of even date attached
For B R Maheswari & Co LLP
Chartered Accountants
Firm Registration Number: 001035N/N500050

AKSHAY MAHESHWARI Digitally signed by AKSHAY MAHESHWARI Date: 2025.05.10 21:31:45 +05'30'

Akshay Maheshwari
Partner
Membership No. 504704

Place: Delhi
Date: May 10, 2025

For and on behalf of the Board of Directors

PATHAMADAI BALACHANDRAN BALAJI Digitally signed by PATHAMADAI BALACHANDRAN BALAJI Date: 2025.05.10 20:23:06 +05'30'

P.B. Balaji
Director
(DIN - 02762983)

MOHIT AGARWAL Digitally signed by MOHIT AGARWAL Date: 2025.05.10 19:54:12 +05'30'

Mohit Agarwal
Chief Financial Officer

Place: Mumbai
Date: May 10, 2025

NARUMANCHI VENKATA SIVAKUMAR Digitally signed by NARUMANCHI VENKATA SIVAKUMAR Date: 2025.05.10 19:22:59 +05'30'

N. V. SIVAKUMAR
Director
(DIN - 03534101)

NEERAJ KUMAR DWIVEDI Digitally signed by NEERAJ KUMAR DWIVEDI Date: 2025.05.10 19:21:54 +05'30'

Neeraj Dwivedi
Company Secretary
Membership No :- ACS20874