

TATA MOTORS FINANCE LIMITED
(FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED)
Financial Statements for year ended March 31, 2024
Along with Independent Auditors Report

**KALYANIWALLA
& MISTRY LLP**

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

TATA MOTORS FINANCE LIMITED

(Formerly 'TATA MOTORS FINANCE SOLUTIONS LIMITED')

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind-AS financial statements of Tata Motors Finance Limited (Formerly 'Tata Motors Finance Solutions Limited') ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the Ind-AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind-AS 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind-AS) and with other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind-AS financial statements 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 Ind-AS 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Ind-AS 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 ICAI 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

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

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We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the matter was addressed in our audit
1) Impairment of Loans to Customers Gross loans: Rs. 32460,17.33 lakhs for year ended March 31, 2024 Provision: Rs. 135013.43 lakhs as at March 31, 2024	
<i>Refer to the accounting policies in "Note 3(x)(A)(iii) to the Financial Statements: Impairment of financial assets", "Note 3 (i) to the Financial Statements: Material Accounting Policies- use of estimates and judgments" and "Note 9 to the Ind AS Financial Statements: Loans"</i>	
Subjective estimate: Under Ind AS 109, Financial Instruments, allowance for loan losses is determined using expected credit loss (ECL) estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are: <ul style="list-style-type: none"> • Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. • Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach. • Qualitative adjustments – Adjustments to the model-driven ECL results are recorded by the Management to address known impairment model limitations or emerging trends as well as risks not captured by models. These adjustments are inherently uncertain and significant management 	Our key audit procedures included: We performed end to end process walkthroughs to identify the key systems, applications and controls used in ECL processes. We tested the relevant manual (including spreadsheet controls), general IT and application controls over key systems used in ECL process. <p><i>Key aspects of our controls testing involved the following:</i></p> <ul style="list-style-type: none"> • Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models • Testing the 'Governance Framework' controls over validation, implementation and model monitoring in accordance with Reserve Bank of India guidance. • Testing the design and operating effectiveness of the key controls over the application of the staging criteria. • Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and application of probability weights • Testing management's controls over authorisation and calculation of post model adjustments and management overlays. • Testing management's controls on compliance with Ind AS 109 disclosures related to ECL.

Key Audit Matter	How the matter was addressed in our audit
<p>judgement is involved in estimating these amounts.</p> <p>The underlying forecasts and assumptions used in the estimate of allowance for impairment loss are subject to uncertainties which are often outside the control of the Company. Given the size of loan portfolio relative to the balance sheet and the impact of impairment allowance on the financial statements, we have considered this as a key audit matter.</p> <p>Disclosures</p> <p>The disclosures regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.</p>	<ul style="list-style-type: none"> • Testing key controls operating over the information technology system in relation to loan impairment. • including system access and system change management, program development and computer operations. <p>Test of details</p> <p>Key aspects of our testing included:</p> <ul style="list-style-type: none"> • Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied. • Model calculations testing through re-performance, where possible. • Test of details of post model adjustments, considering the size and complexity of management overlays, in order to assess the reasonableness of the adjustments by challenging key assumptions, inspecting the calculation methodology and tracing a sample of the data used back to source data. • Assessing disclosures - We assessed whether the disclosures appropriately disclose and address the uncertainty which exists when determining ECL. In addition, we assessed whether the disclosure of the key judgements and assumptions made was sufficiently clear.
2) Assessment of Impairment testing of goodwill	
<i>Refer to the "Note 13B to the Financial Statements: Goodwill".</i>	
<p>The Company has goodwill of Rs. 18,025.25 lakhs as at March 31, 2024. The goodwill has been allocated to the Used vehicle cash-generating units ("CGU"). The annual impairment testing of goodwill is considered to be a key audit matter due to the significant management judgement and estimates involved in determining the assumptions to arrive at the fair value of the CGU. The fair value of the CGU is determined using market and income-based approach. These</p>	<p>Our key audit procedures included:</p> <ul style="list-style-type: none"> • Evaluating the appropriateness of the assumptions applied to key inputs such as future income projections and interest rates, operating costs, long-term growth rates, in line with externally derived data as well as our own assessments based on our knowledge of the Company and the industry.

Key Audit Matter	How the matter was addressed in our audit
<p>approaches use several key assumptions, including estimates of future business, interest rates, operating costs, terminal value growth rates, the weighted-average cost of capital (discount rate), and consideration of comparable market multiples.</p>	<ul style="list-style-type: none"> performing our own sensitivity analysis, which included assessing the effect of reasonably possible reductions in growth rates and forecast cash flows to evaluate the impact on the currently estimated headroom between the carrying value and the estimated fair value of the CGU. evaluating the adequacy of the financial statement disclosures, including disclosures of key assumptions, judgements and sensitivities.
3) Information technology	
<p>Information Technology ("IT") systems and controls.</p> <p>The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated. We have focussed on 'user access management', 'change management', 'interface controls' and 'system application controls' over key financial accounting and reporting systems.</p>	<p>Our audit procedures to assess the IT system access management included the following:</p> <p>Involved IT specialists as part of the audit for the purpose of testing General IT controls and application controls (automated and semi-automated controls) to determine the accuracy of the information produced by the Company's IT system.</p> <p>With respect to the "In-scope IT systems" identified as relevant to the audit of the financial statements and financial reporting process of the Company, we have evaluated and tested relevant IT general controls.</p> <p>On such "In-scope IT systems" we have performed the following procedures:</p> <ul style="list-style-type: none"> We tested a sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. We tested the design and operating effectiveness of key controls over user access management which includes management of user access and enforcement of segregation of duties. For a selected group of key controls over financial and reporting systems, we independently performed procedures to determine the operating effectiveness of application controls. For those controls that

Key Audit Matter	How the matter was addressed in our audit
	<p>were changed during the year, we tested the change management process.</p> <ul style="list-style-type: none"> • We evaluated the design, implementation and operating effectiveness of the significant accounts related IT key automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission. • Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and that business users and developers did not have access to migrate changes in the production environment and the privileged access to applications, operating system or databases is restricted to authorized personnel. • For system implemented, we evaluated the program development related controls to determine whether adequate controls have been established to ensure that system implemented was authorized, tested and approved. • With respect to controls managed at vendor, we have reviewed the SOC Type I and II reports. • Additionally, we have checked the compliance with respect to audit trail as per amendment in section 128 of the Companies Act, 2013. The Company is compliant with respect to the audit trail requirements.

Information Other than the Ind-AS financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, Management Discussion and Analysis and Report on Corporate Governance but does not include the Ind-AS financial statements and our auditor's report thereon. The Other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the Ind-AS 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 Ind-AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind-AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read this other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and review the steps taken by the management to communicate to those in receipt of the other information, if previously issued, to inform them of the revision.

Management's Responsibility for the Ind-AS financial statements

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 Ind-AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and the 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 Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind-AS 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.

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

Auditor's Responsibilities for the Audit of the Ind-AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind-AS 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 Ind-AS financial statements.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind-AS 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 Matter

In terms of National Company Law Tribunal (NCLT) Order dated May 12, 2023 (published by NCLT on June 15, 2023), ('the Order') the NBFC business of erstwhile 'Tata Motors Finance Limited' (TMFL) (currently known as TMF Business Services Limited), a fellow subsidiary of the Company was demerged with the Company. Upon filing the copy of Order sanctioning the Scheme of Demerger ('Scheme') with the Registrar of Companies ('ROC'), on June 30,

2023, the Scheme became effective and NBFC business of TMFL merged with the Company. The Scheme became effective from the appointed date i.e. April 1, 2023. To comply with requirements of Appendix C to Ind AS 103 - ('Business Combinations'), the restatement of the financial statements has been given effect from the date of control i.e. April 1, 2022. (Refer Note 35)

Accordingly, the figures in the Ind AS financial statements for the year ended March 31, 2023 (audited-published) have been restated to give the effect of the Scheme on which we have issued an unmodified opinion dated April 28, 2023 and basis the figures stated in the financial statements of erstwhile TMFL in relation to the NBFC Business which has been extracted by the Management from the financial statements of TMFL, which were audited by another firm of Chartered Accountants who have issued an unmodified opinion dated April 28, 2023.

With respect to above, we have audited the eliminations / adjustments which have been reported in the financial statements. However, we have not issued a separate report on these restated figures since these have been audited by respective auditors in respective years.

Our opinion on the Ind AS financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity, dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind-AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
 - e) On the basis of the written representations received from the Directors of the Company as on March 31, 2024, taken on record by the Board of Directors, none of the Directors of the Company are disqualified as on March 31, 2024, from being appointed as a Director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- g) According to information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act.
- 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:
 - a. The Company has disclosed the impact of pending litigations on its financial position in its Ind-AS financial statements – Refer Note 34 to the Ind-AS financial statements.
 - b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d.
 - i. The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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
 - ii. The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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;
 - iii. Based on our audit procedures we have considered it reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
 - e. The Company has not declared or paid dividend during the year. Hence, compliance with section 123 of the Act is not applicable.

- f. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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

**For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS**

Firm Registration No. 104607W / W100166

Damarla Sai

Venkata Ramana

[illegible]

Sai Venkata Ramana Damarla

Partner

Membership. No. 107017

UDIN: 24107017BKERSY2624

Place: Mumbai

Date: April 29, 2024

Tata Motors Finance Limited (Formerly 'TATA MOTORS FINANCE SOLUTIONS LIMITED')

Annexure A to the Independent Auditor's report- March 31, 2024

(Referred to in 'Report on Other Legal and Regulatory Requirement' section of our report of even date)

We report that:

- i.
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (including Right of Use assets).
 - (b) The Company has maintained proper records showing full particulars of Intangible Assets.
 - (c) The Company has a program of physical verification to cover all the items of Property, Plant and Equipment at least once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on verification.
 - (d) According to information and explanation given to us and on the basis of examination of the records of the Company, the Company does not hold immovable properties included under the head property, plant and equipment. Accordingly, clause 3(i)(d) of the Order is not applicable.
 - (e) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - (f) There are no proceedings being initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii.
 - (a) The Company is in the business of lending. The Company does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable to the Company.

- (b) According to the information and explanations given to us by the Management and based on the audit procedures performed by us, the Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at various points of time during the year, from banks and financial institutions on the basis of security of current assets of the Company. In our opinion and according to the information and explanations given to us and based on audit procedures performed by us, the quarterly returns filed by the Company with such banks and financial institutions are in agreement with the unaudited books of account of the Company for the respective quarters.

iii. The Company has made investments in companies and has granted secured and unsecured loans to other parties, during the year, in respect of which:

- (a) The Company is in the principal business of giving loans, hence clause 3(iii)(a) of the Order is not applicable.
- (b) According to the information and explanation given to us, the investments made, and the conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the interest of the company.
- (c) In respect of loans and advances, in the nature of loans granted during the year in the ordinary course of lending business, the schedule of repayment of principal and payment of interest have been stipulated and the repayment of loan and receipts of interest are generally regular except there were cases which were not repaid / paid when they were due or were repaid / paid with a delay. Such loans have been accounted for in accordance with the Company's policy on asset classification and provisioning as described in Note 3(x) to the Ind AS financial statements.

Having regard to the voluminous nature of loan transactions, it is not practicable to furnish borrower-wise details of irregularities. However, such details are available with the Company. For details of total loans and advances which were overdue as of March 31, 2024, Refer Note 43 to the Ind AS standalone financial statements.

- (d) In respect of loans granted by the Company, the following amounts are overdue for more than ninety days from companies or any other parties to whom loan has been granted. The Company has taken reasonable steps for recovery of the overdue amount of principal and interest.

(Amount in lakhs)				
No of cases	Principal Amount Overdue	Interest Overdue	Total Overdue	Remarks, if any
48121	93818	21791	115609	-

- (e) The Company is in the principal business of giving loans, Hence, clause 3(iii)(e) of the Order is not applicable.

- (f) The Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. (Refer Note 47(b) to the Ind AS Financial Statements) The details of the same are as follows:

(Rs. In lakhs)

	Related Parties	Promoter
Aggregate amount of loans/ advances in nature of loans - Repayable on demand		
(A) - Agreement does not specify any terms or	-	-
period of repayment (B)	5464.66	8500
Total (A+B)	5464.66	8500
Percentage of loans/ advances in nature of loans to the total loans	0.17 %	0.26 %

- iv. In our opinion and according to the information and explanations given to us, there are no loans / guarantees or security provided in connection with any loan which have been given to directors to any other person in whom the director is interested, therefore the provisions of Section 185 of the Act are not applicable to the Company. According to information and explanations given to us, the Company has not made investments through more than two layers of investment companies in accordance with the provisions of Section 186(1) of the Act. The other sub-sections of the Act are not applicable to the Company.
- v. The Company is a systemically important non-deposit taking non-banking finance company registered with RBI, and consequently is exempt from provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the services rendered by the Company. Accordingly, clause 3(vi) of the Order is not applicable to the Company.
- vii. (a) According to information and explanations given to us and on the basis of examination of the books of account, and records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales tax, services tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, value added tax, duty of customs and duty of excise. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income-tax, value added tax, goods and service tax, cess and other material statutory

dues were in arrears as at March 31, 2024 for a period of more than six months from the date on when become payable.

- (b) According to the information and explanation given to us, and based on our examination of records of the Company, the details of statutory dues referred to in sub- paragraph (a) above which have not been deposited with the concerned authorities as on March 31, 2024, on account of dispute are given below:

(Rs. Lakhs)

Name of the statute	Nature of dues	Period to which the amount relates	Amount Involved as on March 2024	Amount unpaid as on March 2024	Forum where dispute is pending as on March 31, 2024
Andhra Pradesh Value Added Tax Act, 2005	VAT	F.Y 2007- 08 to 2012- 13	1,005.28	670.19	High Court of Andhra Pradesh
Andhra Pradesh Value Added Tax Act, 2005	Penalty on VAT	F.Y 2007- 08 to 2012- 13	1,005.28	1,005.28	High Court of Andhra Pradesh
Andhra Pradesh Value Added Tax Act, 2005	VAT	F.Y 2013- 14 to 2016- 17	2,213.49	1,475.66	High Court of Andhra Pradesh
Andhra Pradesh Value Added Tax Act, 2005	Penalty on VAT	F.Y 2013- 14 to 2016- 17	2,213.49	2,213.49	High Court of Andhra Pradesh
Andhra Pradesh Value Added Tax Act, 2005	VAT	April 2017 to June 2017	132.95	66.48	High Court of Andhra Pradesh
Andhra Pradesh Value Added Tax Act, 2005	Penalty on VAT	April 2017 to June 2017	132.95	132.95	High Court of Andhra Pradesh
West Bengal Value Added Tax Act, 2005	VAT	FY 2007- 08 and FY 2011-12	364.93	-	Supreme Court of India
Madhya Pradesh Value Added Tax Act, 2006	Entry/Tax	F.Y 2013- 14	79.42	47.66	Appellate Authority, Bhopal
Jharkhand Value Added Tax Act, 2005	VAT	F.Y 2012-13	21.11	21.11	Joint Commissioner, Jharkhand
Rajasthan Value Added Tax Act, 2003	VAT	F.Y. 2014-15	3.91	3.91	Assistant Commissioner, Rajasthan Commercial tax
Rajasthan Value Added Tax Act, 2003	VAT	F.Y. 2015-16	11.39	11.39	Assistant Commissioner, Rajasthan Commercial tax
Goods and Service Tax Act, 2017	GST	F.Y. 2018-19	10.66	9.80	Assistant Commissioner of State tax, Bihar
Goods and Service Tax Act, 2017	GST	F.Y. 2019-20	42.41	39.40	State Tax officer, Jharkhand
Goods and Service Tax Act, 2017	GST	F.Y. 2017-18	794.69	756.39	Commissioner Appeals, Bihar
Goods and Service Tax Act, 2017	GST	F.Y. 2017-18	0.70	0.70	Commissioner Appeals, Bihar
Goods and Service Tax Act, 2017	GST	F.Y. 2017-18	503.83	484.61	Commissioner Appeals, Maharashtra
Goods and Service Tax Act, 2017	GST	F.Y. 2017-18	47.50	45.27	Commissioner Appeals, Kerala
Goods and Service Tax Act, 2017	GST	F.Y. 2017-18	0.13	-	Sales Tax Officer, Kerala
Goods and Service Tax Act, 2017	GST	F.Y. 2017-18	55.81	53.15	Commissioner Appeals, Delhi
Goods and Service Tax Act, 2017	GST	F.Y. 2017-18	9.05	8.61	Commissioner Appeals, Delhi
Goods and Service Tax Act, 2017	GST	F.Y. 2017-18	4.07	3.70	Commissioner Appeals, Telangana
Goods and Service Tax Act, 2017	GST	F.Y. 2017-18	15,781.09	15,781.09	Hon'ble HC. TN
Goods and Service Tax Act, 2017	GST	F.Y. 2017-18	139.59	132.90	Commissioner Appeals, Assam
Goods and Service Tax Act, 2017	GST	F.Y. 2017-18	0.36	0.36	Commissioner Appeals, Odisha
Goods and Service Tax Act, 2017	GST	F.Y. 2017-18	0.27	0.27	Commissioner Appeals, Odisha
Goods and Service Tax Act, 2017	GST	F.Y. 2018-19	1,080.40	1,023.39	Commissioner Appeals, Bihar
Goods and Service Tax Act, 2017	GST	F.Y. 2018-19	0.70	0.70	Commissioner Appeals, Bihar
Goods and Service Tax Act, 2017	GST	F.Y. 2018-19	5.69	5.69	Commissioner Appeals, Odisha
Goods and Service Tax Act, 2017	GST	F.Y. 2018-19	277.44	277.44	Commissioner Appeals, Delhi
Goods and Service Tax Act, 2017	GST	F.Y. 2018-19	19.92	19.92	Commissioner Appeals, Gujarat
Madhya Pradesh Value Added Tax Act, 2006	VAT	F.Y 2016-17	13.53	10.15	Addn Commissioner of Commercial Tax
Madhya Pradesh Value Added Tax Act, 2006	Entry Tax	F.Y 2016-17	2.94	2.20	Addn Commissioner of Commercial Tax
Uttarakhand Value Added Tax Act, 2005	VAT	F.Y 2017-18	4.14	3.93	Commissioner of State Tax

* the above disputed dues are transferred on Demerger (Refer Note 35 of Ind AS Financial Statements)

- viii. There are no instances of any transactions not being recorded 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) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowing or in the payment of interest thereon to any lender. The Company has not taken any loans or borrowings from Government;
 - (b) According to the information and explanations given to us, the Company is not declared a wilful defaulter by any bank or financial institution or any other lender;
 - (c) According to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained;
 - (d) According to the information and explanations given to us, funds raised on short term basis have not been utilised for long term purposes;
 - (e) According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
 - (f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies,
- x.
- (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
 - (b) The Company has not issued Non-Convertible Debentures during the year. Further, in respect of the Non-Convertible Debentures issued in previous years, it has complied with the requirements of section 42 and section 62 of the Act and the funds raised have been used for the purposes for which the funds were raised.
 - (c) The Company has not made any preferential allotment or private placement of shares (fully, partially or optionally convertible) during the year.
- 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 and according to the information and explanations given to us, except for 15 cases aggregating 378.92 lakhs which largely pertains to Cheating and forgery which has been reported by the Company in FMR-1 to Reserve Bank of India(RBI) , we have neither come across any instance of fraud by the Company or any material instance of fraud on the Company;

- (b) We have not filed any report under sub-section (12) of section 143 of the Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - (c) We have taken into consideration the whistle-blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- xii. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii. According to information and explanations given to us and based on our examination of the records of the Company, transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the Note 36 to the Ind AS financial statements as required by the applicable Indian Accounting Standards.
- xiv.
 - (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
 - (b) We have considered the internal audit reports of the company issued, for the year under audit.
- xv. According to information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- xvi.
 - a. According to information and explanations given to us, the Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.
 - b. The Company has conducted the Non-Banking Financial activities with a valid certificate of registration (CoR) from the Reserve Bank of India (RBI) as per the RBI Act, 1934.
 - c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India
 - d. According to the information and explanation provided to us by the Company, the Group has 4 Core Investment Companies (CICs) which are registered with the Reserve Bank of India (RBI).
- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year (pre-demerger). (Refer Note 35)

Date: April 29, 2024

Annexure B to the Independent Auditor's report- March 31, 2024

Report on the internal financial controls with reference to the aforesaid Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (Referred to in 'Report on Other Legal and Regulatory Requirement' section of our report of even date)

We have audited the internal financial controls with reference to the Financial Statements of Tata Motors Finance Limited (Formerly 'Tata Motors Finance Limited') (the "Company") as of March 31, 2024, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to the Ind AS Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('Act').

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Ind AS Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Ind AS Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Financial Statements included obtaining an understanding of such internal financial controls, 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 Ind AS Financial Statements, whether due to fraud or error.

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

Date: April 29, 2024

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Balance Sheet as at March 31, 2024

(₹ in lakhs)

Particulars	Notes	As at March 31	As at March 31
		2024	2023 (Refer Note 35)
I. ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	5	3001,26.60	4123,16.79
(b) Bank Balance other than cash and cash equivalents	6	3,43.42	61,41.91
(c) Derivative financial instruments	15	102,44.23	110,39.49
(d) Receivables			
i. Trade receivables	7	33,05.68	24,07.84
ii. Other receivables	8	20,78.52	2,57.15
(e) Loans	9	31110,03.90	33528,60.90
(f) Investments	10	2530,75.45	1966,50.53
(g) Other financial assets	11	1087,06.98	909,77.15
		37888,84.78	40726,51.76
2 Non-financial assets			
(a) Current tax assets (net)		112,37.89	66,84.63
(b) Deferred tax assets (net)	12	11,63.78	168,83.92
(c) Property, plant and equipment	13A	112,08.44	97,53.00
(d) Goodwill	13B	180,25.25	180,25.25
(e) Other intangible assets	13C	7,23.17	2,24.53
(f) Other non-financial assets	14	189,28.29	175,17.97
		612,86.82	690,89.30
3 Assets held for sale		65,46.18	192,01.23
Total assets		38567,17.78	41609,42.29
II. LIABILITIES AND EQUITY			
1 Financial liabilities			
(a) Derivative financial instruments	15	4,91.29	14,86.64
(b) Payables	16		
(i) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises		13,07.47	13,54.69
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		279,06.66	249,30.77
(ii) Other payables			
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		110,70.40	103,85.12
(c) Debt securities	17	3829,90.00	7867,43.92
(d) Borrowings (other than debt securities)	18	25348,39.28	24149,53.23
(e) Subordinated liabilities	19	1082,86.07	1311,67.23
(f) Other financials liabilities	20	1155,22.81	1002,76.03
		31824,13.98	34712,97.63
2 Non-financial liabilities			
(a) Current tax liabilities (net)		19.43	-
(b) Provisions	21	98,82.42	81,00.40
(c) Other non-financial liabilities	22	69,77.78	78,85.11
		168,79.63	159,85.51
3 Equity			
(a) Equity share capital	23A	4969,39.18	1700,49.74
(b) Equity share capital to be issued pursuant to common control transaction	23A	-	3268,89.44
(c) Instruments entirely equity in nature	23B	1808,00.00	1808,00.00
(d) Other equity		(203,15.01)	(40,80.03)
		6574,24.17	6736,59.15
Total liabilities and equity		38567,17.78	41609,42.29

See accompanying notes forming part of financial statements (1 to 54)

As per our report of even date attached

For KALYANIWALLA & MISTRY LLP

Chartered Accountants

Firm Registration Number: 104607W / W100166

Damarla Sai

Venkata Ramana

Sai Venkata Ramana Damarla

Partner

Membership No. 107017

Place: Mumbai

Date: April 29, 2024

For and on behalf of the Board of Directors

PALAMADAI

SUNDARARAJAN

JAYAKUMAR

P. S. Jayakumar

Director

(DIN - 01173236)

PATHAMADAI

BALACHANDR

AN BALAJI

P. B. Balaji

Director

(DIN - 02762983)

SAMRAT

GUPTA

Samrat Gupta

Managing Director &

CEO

(DIN - 07071479)

RIDHI ZAVERI

GANGAR

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RIDHI ZAVERI GANGAR

Date: 2024.04.29

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Ridhi Gangar

Chief Financial Officer

Place: Mumbai

Date: April 29, 2024

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Date: 2024.04.29

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Vinay Lavannis

Company Secretary

(Membership No - A7911)

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

Statement of Profit and Loss for the year ended March 31, 2024

(₹ in lakhs)

Particulars	Notes	For the year ended	For the year ended
		March 31	March 31
		2024	2023 (Refer note 35)
I Revenue from operations			
(a) Interest income	24	3813,84.98	4285,88.67
(b) Dividend income		12,95.46	3,77.37
(c) Rental income		3,35.17	3,30.73
(d) Fees and commission income	25	183,00.65	175,41.16
(e) Net gain on fair value changes	26	746,83.92	156,87.73
(f) Net gain on derecognition of financial instruments	48D	194,26.04	208,31.02
Total Revenue from operations		4954,26.22	4833,56.68
II Other income	27	50,93.12	72,00.39
III Total income (I + II)		5005,19.34	4905,57.07
IV Expenses			
(a) Finance cost	28	2496,67.05	2703,72.61
(b) Impairment of financial instruments and other assets	29	1128,03.42	2029,21.27
(c) Employee benefits expenses	30	507,30.64	385,57.27
(d) Depreciation, amortization and impairment	13A & 13C	31,11.90	24,23.89
(e) Other expenses	31	617,91.61	681,56.24
Total expenses		4781,04.62	5824,31.28
V Profit/(Loss) before exceptional items and tax (III - IV)		224,14.72	(918,74.21)
VI Exceptional items		-	-
VII Profit/(Loss) before tax (V - VI)		224,14.72	(918,74.21)
VIII Tax expense			
(a) Current tax		-	3,54.09
(b) Deferred tax		172,26.86	17,25.00
Total tax expense	12	172,26.86	20,79.09
IX Profit/(Loss) for the year from continuing operations (VII - VIII)		51,87.86	(939,53.30)
X Other comprehensive income			
A i. Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		(3,34.49)	5,43.74
(b) Equity Instruments through Other Comprehensive Income		45,27.85	(3,73.87)
ii. Income tax relating to items that will not be reclassified to profit or loss		(11,39.57)	94.59
Subtotal (A)		30,53.79	2,64.46
B i. Items that will be reclassified to profit or loss			
(a) Net gains/(losses) on cash flow hedges		15,86.28	29,38.53
(b) Debt Instruments through Other Comprehensive Income		(74,35.32)	77,66.37
ii. Income tax relating to items that will be reclassified to profit or loss		18,71.32	(19,54.64)
Subtotal (B)		(39,77.72)	87,50.26
Other Comprehensive Income (A + B)		(9,23.93)	90,14.72
XI Total comprehensive income for the year		42,63.93	(849,38.58)
XII Earning per equity shares (face value of ₹ 100/- each)	32		
Basic (in ₹)		(2.46)	(21.74)
Diluted (in ₹)		(2.46)	(21.74)

See accompanying notes forming part of financial statements (1 to 54)

As per our report of even date attached

For KALYANIWALLA & MISTRY LLP

Chartered Accountants

Firm Registration Number: 104607W / W100166

Damarla Sai

Venkata Ramana

Sai Venkata Ramana Damarla

Partner

Membership No. 107017

PALAMADAI
SUNDARARAJA
N JAYAKUMAR

P. S. Jayakumar
Director
(DIN - 01173236)

PATHAMADAI
BALACHAND
RAN BALAJI

P. B. Balaji
Director
(DIN - 02762983)

Place: Mumbai

Date: April 29, 2024

SAMRAT GUPTA

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SAMRAT GUPTA
Date: 2024.04.29
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Samrat Gupta
Managing Director & CEO
(DIN - 07071479)

RIDHI ZAVERI
GANGAR

Ridhi Gangar
Chief Financial Officer

Place: Mumbai
Date: April 29, 2024

VINAY
BABURAO
LAVANNIS

Vinay Lavannis
Company Secretary
(Membership No - A7911)

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Cash flow statement for the year ended March 31, 2024

(₹ in lakhs)

Particulars	For the year ended March 31 2024	For the year ended March 31 2023 (Refer note 35)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) before tax	224,14.72	(918,74.21)
Adjustments for:		
Interest income on loans, deposits & investments	(3813,84.98)	(4285,88.67)
Finance costs (other than interest expense on lease liability)	2489,89.84	2697,23.83
Interest expense on lease liability	6,77.21	6,48.78
Dividend income	(12,95.46)	(3,77.37)
Gain on sale of investments	(133,20.76)	(158,52.17)
Mark to market (gain)/loss on investments measured at fair value through profit or loss	(618,56.98)	(5,33.06)
Allowance for loan losses and write-off loans	1101,53.91	2025,64.48
Allowance for doubtful loans and advances (others) (net of write-off)	26,49.51	3,56.79
Depreciation and amortization	31,11.90	24,23.89
(Profit)/Loss on sale of property, plant and equipments	(39.96)	(25.34)
Balances written back	(6,13.23)	(15,52.54)
Forex (gain)/loss on derivative instruments	9,26.70	10,09.69
Loss on asset held for sale	33,72.41	71,04.53
Operating cash flow before working capital changes	(662,15.17)	(549,71.37)
Movements in working capital		
Trade payables	35,41.90	53,76.44
Other payables	6,85.28	(13,54.99)
Other financial liabilities	203,65.27	(118,19.05)
Other non-financial liabilities	(9,07.33)	(2,50.00)
Trade receivables	(8,97.84)	(6,85.96)
Other receivables	(18,21.37)	45,78.98
Other financial assets	(3,64.24)	(177,85.35)
Provisions	14,47.53	(1,38.92)
Loans	1151,53.24	833,71.39
Non-financial assets	(14,10.32)	(63,18.38)
Assets held for sale	99,09.46	186,84.37
	794,86.41	186,87.16
Finance costs paid	(2214,53.33)	(2479,31.84)
Interest income received on loans, investments & deposits	3881,81.49	4242,44.78
Income taxes paid (net)	(45,33.83)	(54,02.37)
Net cash generated from operating activities	2416,80.74	1895,97.73
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments and intangible assets	(40,41.75)	(25,04.92)
Proceeds from sale of property, plant and equipments	2,22.08	13,69.88
Purchase of mutual fund units	(98764,06.18)	(139500,02.50)
Redemption of mutual fund units	98804,35.97	139251,56.71
Redemption of debt securities	1,50.00	51,50.00
Investment in government securities	-	(1316,93.25)
Distribution from trust securities	58.97	16.54
Investment in treasury bills	(5372,29.57)	(1508,06.07)
Redemption of treasury bills	5380,00.00	2005,00.00
Sale of government securities	-	853,00.00
Dividend income	12,95.46	3,77.37
Deposits/restricted deposits with banks	(3,86.51)	(45,46.21)
Realisation of deposits/restricted deposits with banks	61,84.96	418,26.87
Net cash generated from investing activities	82,83.43	201,44.42

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Cash flow statement for the year ended March 31, 2024

(₹ in lakhs)

Particulars	For the year ended	For the year ended
	March 31	March 31
	2024	2023 (Refer note 35)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in cash credit (net)	68,05.93	73,62.79
Proceeds from debt securities	6838,24.06	6475,97.29
Repayment of debt securities	(9622,00.00)	(8872,50.00)
Proceeds from issue of perpetual debt (net of issue expenses)	-	357,16.07
Repayment of sub-ordinated liabilities	(230,10.00)	(190,40.00)
Proceeds from borrowings (other than debt securities)	19381,94.61	19102,99.25
Repayment of borrowings (other than debt securities)	(18187,51.54)	(19862,66.32)
Interest payment on lease liability	(6,77.21)	(6,48.77)
Principal payment of lease liability	(14,27.87)	(12,59.75)
Repayments of collateralised debt obligation	(74,87.24)	-
Redemption of long term debenture	(1600,00.00)	-
Distributions made to holders of instruments entirely equity in nature	(174,25.12)	(140,88.25)
Proceeds from issue of equity shares	-	563,68.67
Net cash (used in) from financing activities	(3621,54.38)	(2512,09.02)
Net (decrease in) cash and cash equivalents (A + B + C) (refer note below)	(1121,90.21)	(414,66.87)

(₹ in lakhs)

Particulars	For the year ended	For the year ended
	March 31	March 31
	2024	2023 (Refer note 35)
Cash and cash equivalents at the beginning of the year	4123,16.79	4402,47.83
Balances included on account of common control transaction	-	135,35.83
Cash and cash equivalents at the end of the year (Refer Note 5)	3001,26.60	4123,16.79
See accompanying notes forming part of financial statements (1 to 54)		

Note:

- Finance costs has been considered as arising from operating activities in view of the nature of the Company'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 and on behalf of the Board of Directors

For KALYANIWALLA & MISTRY LLP
Chartered Accountants

Firm Registration Number: 104607W / W100166

Damarla Sai

Venkata Ramana

Sai Venkata Ramana Damarla

Partner

Membership No. 107017

PALAMADAI
SUNDARARAJA
N JAYAKUMAR

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JAYAKUMAR
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P. S. Jayakumar
Director
(DIN - 01173236)

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AN BALAJI

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P. B. Balaji
Director
(DIN - 02762983)

SAMRAT
GUPTA

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SAMRAT GUPTA
Date: 2024.04.29
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Samrat Gupta
Managing Director
& CEO

(DIN - 07071479)

RIDHI ZAVERI
GANGAR

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RIDHI ZAVERI GANGAR
Date: 2024.04.29
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Ridhi Gangar
Chief Financial Officer

VINAY
BABURAO
LAVANNIS

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VINAY BABURAO
LAVANNIS
Date: 2024.04.29
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Vinay Lavannis
Company Secretary
Membership No.-A7911

Place: Mumbai
Date: April 29, 2024

Place: Mumbai
Date: April 29, 2024

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Statement of changes in equity for the year ended March 31, 2024

A. Equity share capital		As at March 31, 2024		As at March 31, 2023		As at March 31, 2023	
Particulars		Number	₹	Number	₹	Number	₹
Shares outstanding at the beginning of the year		170,049,735	1700,49,735	170,049,735	1700,49,735		
Changes in Equity Share Capital due to prior period errors							
Restated balance at the beginning of the year		170,049,735	1700,49,735	170,049,735	1700,49,735		
Allotment of shares on account of Demerger Scheme (refer note 35)		376,889,441	3768,89,441				
Shares outstanding at the end of the year		496,939,176	4969,39,176	170,049,735	1700,49,735		
The Authorized equity Share Capital has been increased from existing Rs. 5300,00,00,000/- (Rupees five thousand and three hundred Crores only) divided into 53,00,00,00,000 (Fifty three Crores) Equity Shares of Rs. 100/- (Rupees Hundred only) each to Rs. 6300,00,00,000/- (Rupees six thousand and three hundred crores only) divided into 63,00,00,00,000 (sixty-three Crores) Equity Shares of Rs. 100/- (Rupees hundred only) each vide Shareholders approval dated May 25, 2023.							
B. Instruments entirely equity in nature							
(i) Perpetual Debt							
		Number	₹	Number	₹		
Balance as at beginning of the year		18,080	1808,00,000	14,480	1448,00,000		
Issued during the year				3,600	360,00,000		
Balance as at end of the year		18,080	1808,00,000	18,080	1808,00,000		
C. Other equity							
Particulars	Demerger Reserve	Special reserve*	Capital redemption reserve	Securities Premium Account	Reserve and Surplus Capital Reserve	General reserve	Retained earnings
							Undistributable (Ind AS 101)
							Distributable
Balance as at April 1, 2023	{2415,11.35}	305,80,79	0.02	4014,20.30	188,46.37	17,63.52	108,46.28
a) Profit for the year	-	-	-	-	-	-	(2881,85.78)
b) Other comprehensive Income (loss) for the year	-	-	-	-	-	-	51,87.86
c) Remeasurements of the defined benefit plans	-	-	-	-	-	-	33,88.28
d) Total comprehensive Income for the year	-	-	-	-	-	-	(3,34.49)
e) Issue expenses on equity (Net of tax)	-	-	-	-	-	-	48,53.37
f) Distributions made to holders of Instruments entirely equity in nature	-	-	-	-	-	-	(30,73.79)
g) Transfer to Special Reserve	-	10,37.50	-	-	-	-	(174,25.12)
Balance as at March 31, 2024	{2415,11.35}	396,18.29	0.02	4014,20.30	188,46.37	17,63.52	96,70.15
							15,05.39
							16,40.82
							{203,15.01}
							0.00

		As at March 31, 2024		As at March 31, 2023		As at March 31, 2023	
Particulars		Number	₹	Number	₹	Number	₹
Shares outstanding at the beginning of the year		170,049,735	1700,49,735	170,049,735	1700,49,735		
Changes in Equity Share Capital due to prior period errors							
Restated balance at the beginning of the year		170,049,735	1700,49,735	170,049,735	1700,49,735		
Allotment of shares on account of Demerger Scheme (refer note 35)		376,889,441	3768,89,441				
Shares outstanding at the end of the year		496,939,176	4969,39,176	170,049,735	1700,49,735		
The Authorized equity Share Capital has been increased from existing Rs. 5300,00,00,000/- (Rupees five thousand and three hundred Crores only) divided into 53,00,00,00,000 (Fifty three Crores) Equity Shares of Rs. 100/- (Rupees Hundred only) each to Rs. 6300,00,00,000/- (Rupees six thousand and three hundred crores only) divided into 63,00,00,00,000 (sixty-three Crores) Equity Shares of Rs. 100/- (Rupees hundred only) each vide Shareholders approval dated May 25, 2023.							
B. Instruments entirely equity in nature							
(i) Perpetual Debt							
		Number	₹	Number	₹		
Balance as at beginning of the year		18,080	1808,00,000	14,480	1448,00,000		
Issued during the year				3,600	360,00,000		
Balance as at end of the year		18,080	1808,00,000	18,080	1808,00,000		
C. Other equity							
Particulars	Demerger Reserve	Special reserve*	Capital redemption reserve	Securities Premium Account	Reserve and Surplus Capital Reserve	General reserve	Retained earnings
							Undistributable (Ind AS 101)
							Distributable
Balance as at April 1, 2023	{2415,11.35}	305,80,79	0.02	4014,20.30	188,46.37	17,63.52	108,46.28
a) Profit for the year	-	-	-	-	-	-	(2881,85.78)
b) Other comprehensive Income (loss) for the year	-	-	-	-	-	-	51,87.86
c) Remeasurements of the defined benefit plans	-	-	-	-	-	-	33,88.28
d) Total comprehensive Income for the year	-	-	-	-	-	-	(3,34.49)
e) Issue expenses on equity (Net of tax)	-	-	-	-	-	-	48,53.37
f) Distributions made to holders of Instruments entirely equity in nature	-	-	-	-	-	-	(30,73.79)
g) Transfer to Special Reserve	-	10,37.50	-	-	-	-	(174,25.12)
Balance as at March 31, 2024	{2415,11.35}	396,18.29	0.02	4014,20.30	188,46.37	17,63.52	96,70.15
							15,05.39
							16,40.82
							{203,15.01}
							0.00

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Statement of changes in equity for the year ended March 31, 2024

Particulars	Demerger Reserve	Special reserve*	Capital redemption reserve	Securities Premium Account	Reserve and Surplus Capital Reserve	General reserve	Retained earnings	Equity instruments through OCI	Other components of equity	Hedging Reserve	Total other equity
							Undistributable (Ind AS 101)	Debt instruments through OCI	Cost of Hedging Reserve		
Balance as at April 1, 2022 (Restated)	(2545,98.74)	133,87.07	-	-	-	-	(66,16.87)	81,83.19	-	-	(2445,29.80)
a) Included pursuant to common control transaction	-	236,66.74	0.02	4014,20.30	188,46.37	17,63.52	174,63.15	65,61.15	323,23.10	(4,57.02)	3266,73.14
b) Profit/(loss) for the year	-	-	-	-	-	-	-	-	-	-	(939,53.30)
c) Other comprehensive income/(loss) for the year	-	-	-	-	-	-	-	(2,79.28)	58,11.73	(1,78.87)	84,70.98
d) Remeasurements of the defined benefit plans	-	-	-	-	-	-	5,43.74	-	-	-	5,43.74
e) Total comprehensive income / (loss) for the year	-	236,66.74	0.02	4014,20.30	188,46.37	17,63.52	174,63.15	62,81.87	381,34.83	(6,35.89)	2417,34.56
f) Distributions made to holders of instruments entirely equity in nature	-	-	-	-	-	-	(140,88.25)	-	-	-	(140,88.25)
g) Issue expenses on Instruments entirely equity in nature	-	-	-	-	-	-	(2,83.93)	-	-	-	(2,83.93)
h) Transfer to Special Reserve	-	15,26.98	-	-	-	-	(15,26.98)	-	-	-	-
i) Opening balance sheet adjustment pursuant to common control transaction	130,87.39	-	-	-	-	-	-	-	-	-	130,87.39
Balance as at March 31, 2023	(2415,11.35)	385,80.79	0.02	4014,20.30	188,46.37	17,63.52	108,46.28	62,81.87	463,18.02	(6,35.89)	(40,80.03)

*As per Section 45-1C of the 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 as disclosed in the Statement of Profit and Loss and before any dividend is declared. No appropriation of any sum from the reserve fund can be made by the Company except for the purpose as may be specified by the Reserve Bank of India from time to time and every such appropriation shall be reported to the Reserve Bank of India within twenty-one days from the date of such withdrawal. The Company transfers said amount at the end of the financial year.

See accompanying notes forming part of financial statements (1 to 54)

As per our report of even date attached
For KALYANWALLA & MISTRY LLP
Chartered Accountants
Firm Registration Number: 104607W / W100166
Sai Venkata Ramana Damarla
Partner
Membership No. 107017
Place : Mumbai
Date: April 29, 2024

For and on behalf of the Board of Directors

Digitally signed by
PALAMADAI SUNDARARAJA N JAYAKUMAR
Director
(DIN - 01173236)

Digitally signed by
PALAMADAI BALACHANDR ANBALAJI
Director
(DIN - 02762983)

Digitally signed by
SAMIRAT GUPTA
Director
(DIN - 02762983)

Digitally signed by
RIDHI ZAVERI GANGAR
Chief Financial Officer
(DIN - 07072479)

Digitally signed by
VINAY BABURAO LAVANNIS
Company Secretary
(DIN - 02762983)

Place: Mumbai
Date: April 29, 2024

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

1 Company information

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

The Company is registered as a Systemically Important 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 March 04, 1998. The Company is a subsidiary of TMF Holdings Limited. The company is also registered as a corporate agent with Insurance Regulatory and Development Authority of India having registration no. CA0875.

The Company is engaged primarily in lending activities in providing finance, a) for new and pre-owned vehicles, b) to dealers and vendors of ultimate holding company (referred to as "Tata Motors Limited") and c) providing commercial vehicles and passenger vehicles on finance lease, through its pan India branch network.

The financial statements were approved by the Board of Directors and authorised for issue on April 29, 2024.

2 Basis of preparation of financial statements

2.1 Statement of compliance

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

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are material to the Company are discussed in Note 3.1 - material accounting judgements, estimates and assumptions.

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

2.2 Historical cost convention

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

2.3 Presentation of financial statements

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

(i) 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 (x)- Business model assessment for classification and measurement of financial assets
- b) Note 3 (x) & 43- Impairment allowances of financial assets based on the expected credit loss model.
- c) Note 3(v) and 3(vi)- Useful lives of property, plant and equipment and intangible assets.
- d) Note 3(viii) and 37- Measurement of assets and obligations of defined benefit employee plans.
- e) Note 3(iv) and 12- Recoverability and recognition of deferred tax assets.
- f) Note 3(ix), 21 & 48F- Measurement of provisions and contingencies.
- g) Note 3(xii) and 38- Fair value measurement of financial instruments.
- h) Note (x)- Effective Interest Rate (EIR) methodology that represents the best estimate of a constant rate of return over the expected behavioral life of financial instruments
- i) Note (vii)- Determination of lease term where the Company is a lessee

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

(ii) Revenue recognition

Revenue from Operations

(a) Income on loans arising from financing activities

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

The EIR in case of a financial asset is computed

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

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

Overdue interest is recognised on a point-in-time basis, and are recorded on realisation basis.

(iii) Income from direct assignment

Gains (also known as the right of excess interest spread (EIS)) 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. 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 statement of profit and loss. Any subsequent changes in the excess interest spread is recognised with the corresponding adjustment to the carrying amount of the assets.

The Company recognises either a servicing asset or a servicing liability for servicing contract. If the fee to be received is expected to be more than adequate compensation for the servicing activities, a servicing asset is recognised with a corresponding credit in Statement of Profit and Loss. If the fee to be received is not expected to compensate the Company adequately for performing the servicing activities, a servicing liability for the servicing obligation is recognised with a corresponding charge to Statement of Profit and Loss.

(iv) Income Taxes

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

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

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

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

(v) Property, Plant and equipment

Property, plant and equipment (PPE) 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.

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

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

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

Type of Asset	Estimated useful life
Building	19 & 60 years
Data Processing Machines	3 years
Furniture & Fixture	5 & 10 years
Office Equipment	2 to 10 years
Vehicles	4 & 5 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.

Assets costing less than ₹ 5,000/- are expensed off at the time of purchase.

(vi) 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 statement of Profit and Loss unless such expenditure forms part of carrying value of another asset. Intangible assets are amortised on a straight-line basis over their estimated useful lives.

Intangible assets and their useful lives are as under

Type of asset	Estimated useful life
Software	5 years

(vii) Leases

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

(A) Company is a Lessee- Assets taken on lease**(i) Right of use of assets**

The Company 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 Company 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 Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments and the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate.

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

In calculating the present value of lease payments, the Company 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 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 Company 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 statement of profit and loss on a straight-line basis over the lease term.

(B) Company as a Lessor

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

Assets given on finance lease

The Company 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 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 Company's net investment in the lease.

(viii) 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

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

Superannuation fund

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

(a) Provident fund

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

(a) Gratuity

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

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

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

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

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

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

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

(C) Other long term employee benefit plans

(1) Defined benefit plans

(a) Compensated absences

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

(ix) Provisions and Contingent Liabilities

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

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

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

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

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

(x) Financial instruments

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

(A) Financial assets

Initial recognition and measurement

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

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

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

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

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 (FVOCI), or
- c. at fair value through profit or loss (FVTPL)

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

(I) Debt Instruments

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

(a) At amortised cost:

A debt instrument is measured at amortised cost, if both the following conditions are satisfied/ fulfilled

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to loans arising from financing activities 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. These loans are measured as the present value of all future cash receipts discounted using the prevailing market rate of interest (i.e. interest rate at which loans are assigned during the relevant quarter). Fair value movements are recognised in the other Comprehensive Income (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.

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

(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 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.

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 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: 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 company reported as fraud and additionally in case of corporate lending business, customers identified as non-operative at holding company are categorised as stage-3.

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 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 or reported as fraud. Pursuant to RBI Circular RBI/2021-22/125 DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021, on 'Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications and Subsequent clarification issued on February 15, 2022, effective October 1, 2022, Stage 3 borrowers are upgraded when all outstanding dues are fully repaid.

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 default. PD estimation process is done 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 first 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 Gross Domestic Product (GDP), Brent 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.

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

Collateral valuation:

The Company creates & secures first and exclusive collateral charge at the time of loan origination on all vehicles for which vehicle financing loans are given. Hypothecation endorsement is obtained in favour of the Company in the Registration Certificate of the Vehicle funded under the vehicle finance category. Any surplus remaining after settlement of outstanding loan by way of sale of vehicle (collateral) is returned to the customer. In case where the Company has settled outstanding dues against repossession of the underlying collateral, collateral is recorded as assets held for sale in the balance sheet.

The Company enters into a financial guarantee contracts which require the issuer of such contract to reimburse the Company for a loss it incurs because a specified customer fails to make payment when due in accordance with the terms of the loan. For these separate third party financial guarantee contracts, the Company recognises a reimbursement asset of an amount expected to receive from issuer of financial guarantee with a corresponding reimbursement gain as a reduction in the impairment charge in the Statement of profit and loss, if it is considered virtually certain that a reimbursement would be received if the specified customer fails to make payment when due in accordance with the terms of the loans. Reimbursement gain is presented as other financial assets in the balance sheet.

The measurement of impairment losses across all the categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a 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 Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of financial statements. The Company 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 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 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.

(8) Financial liabilities and equity instruments

Classification as debt or equity

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

(i) Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

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

(a) At FVTPL:

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

(b) At amortised cost:

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

Financial guarantee contracts:

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

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

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

Derecognition of financial liabilities:

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

Modification/Renegotiation that do not result in derecognition

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

(ii) Equity Instrument

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

(iii) Compound financial Instrument

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

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

(xi) Derivatives and Hedging activities

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk, including foreign exchange forward contracts and interest rate swaps. Further details of derivative financial instruments are disclosed in Note 14. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting date. The resulting gain or loss is recognised in Statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument (Refer sub note (a) below), in which event the timing of recognition in profit or loss depends on the nature of the hedging relationship and nature of the hedge item.

Embedded derivatives

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

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivatives are not closely related to the economic characteristics and risks of the host and accordingly, are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

(a) Hedge accounting

The Company designates foreign currency forward derivative contracts as hedges of foreign exchange risk associated with the cash flows of foreign currency risks associated with the borrowings denominated in foreign currency (referred to as "cash flow hedges").

The Company documents at the inception of the hedging transaction the economic relationship between the hedging instruments and hedge items including whether the hedging instrument is expected to offset changes in the cash flows of hedge items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of the hedging relationship.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity to effective portion (as described above) are reclassified to profit or loss in the periods when the hedge item affects profit or loss, in the same line as the recognised hedge item.

In cases where the designated hedging instruments are forward contracts, the Company has an option, for each designation, to designate on an instrument only the changes in spot element of forward contracts respectively as hedges. In such cases, the forward element (i.e. forward premium) is accounted based on the type of hedge which those forward contract hedge.

The changes in the forward element of the forward contracts are recognised within other comprehensive income in the costs of hedging reserve within equity.

In case of transaction related hedge item in the above cases, the changes in the forward element (i.e. forward premium) of the forward contracts accumulated within other comprehensive income in the costs of hedging reserve within equity is reclassified to profit or loss as a reclassification adjustment in the same period in which the hedged expected future cash flows affect profit or loss.

In case of time-period related hedge item in the above cases, the changes in the forward element (i.e. forward premium) of the forward contracts accumulated within other comprehensive income in the costs of hedging reserve within equity is amortised on a systematic and rational basis over the period during which the forward contracts spot element could affect profit or loss as a reclassification adjustment from other comprehensive income.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

(xii) Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

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

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

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

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

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

(xiii) Assets Held for Sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification. Non-current assets held for sale are neither depreciated nor amortised. Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost of disposal and are presented separately in the Balance Sheet.

(xiv) Business combinations – common control transactions

Business combinations involving entities that are controlled by the Group are accounted for using the pooling of interest method. Assets and liabilities of the combining entities are reflected at their carrying value without adjustments being made to reflect fair values. The identity of the reserve are preserved and reserve of the transferor become the reserves of the transferee. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve. The financial information in the financial statements in respect of prior period is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

4 Recent accounting pronouncements

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

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

5. Cash and cash equivalents

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(a) Cash on hand	7,02.26	7,57.60
(b) Balance with banks (refer note 1)	555,26.81	375,04.41
(c) Cheques, drafts on hand	9,65.81	14,15.16
(d) Bank deposit with original maturity of less than 3 months	2429,31.72	3726,39.62
Total	3001,26.60	4123,16.79
1 Includes ₹ NIL as at 31st March 2024 (₹ 0.23 lacs as at 31st March 2023) towards unpaid dividend.		

6. Bank balance other than cash and cash equivalents

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(a) Deposits with banks	-	8,23.14
(b) Earmarked balances with banks (Refer note 1)	34.42	36.35
(c) Margin money / cash collateral with banks (Refer note 2 and 3)	3,09.00	52,82.42
Total	3,43.42	61,41.91

- 1 Earmarked balances with banks on account of unclaimed interest on debt securities.
2 Margin money is towards mark-to-market on derivative instrument entered to hedge risk arising from external commercial borrowings.
3 Cash collateral with banks acting as credit enhancement in respect securitisation transactions.

7. Trade receivables

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(a) Receivables considered good - Unsecured	33,05.68	24,07.84
Total	33,05.68	24,07.84

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

As at March 31, 2024

Particulars	(₹ in lakhs)							Total
	Not due	Unbilled	Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	13,14.18	-	13,30.21	2,95.62	3,35.42	30.25	-	33,05.68
(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	13,14.18	-	13,30.21	2,95.62	3,35.42	30.25	-	33,05.68

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

As at March 31, 2023

								(₹ in lakhs)
Particulars	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	7,62.17	-	13,16.72	1,92.79	1,20.77	15.39	-	24,07.84
(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	7,62.17	-	13,16.72	1,92.79	1,20.77	15.39	-	24,07.84

8. Other receivables

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
Other Receivables considered good - Unsecured	20,78.52	2,57.15
Total	20,78.52	2,57.15

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

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

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

9. Loans

Particulars	As at March 31 2024	(₹ in lakhs) As at March 31 2023
(A) At amortised cost		
From financing activities		
(a) Term loans	12380,21.17	15134,64.07
(b) Finance lease receivables	193,91.44	81,54.50
(c) Credit substitutes (refer note 1)	471,75.85	914,29.51
(d) Factoring	329,09.98	60,45.85
(e) Channel financing	1796,33.00	1919,56.03
From other than financing activities		
(a) Inter corporate deposits (repayable on demand)	85,00.00	45,50.02
Total (A) - Gross	15256,31.44	18155,99.98
Less: Impairment loss allowance	(895,77.42)	(1600,23.98)
Total (A) - Net	14360,54.02	16555,76.00
(B) At fair value through Other comprehensive income (FVOCI)		
From financing activities		
(a) Term loans	17203,85.89	17314,08.87
Less: Impairment loss allowance	(454,36.01)	(341,23.97)
Total (B) - Net	16749,49.88	16972,84.90
(C)		
(a) Secured by tangible assets (refer note 2, 3 and 4 below)	30384,70.51	31722,81.93
(b) Covered by government guarantees (refer note 5 below)	478,01.96	2470,66.99
(c) Unsecured	1597,44.86	1276,59.93
Total (C) - Gross	32460,17.33	35470,08.85
Less: Impairment loss allowance	(1350,13.43)	(1941,47.95)
Total (C) - Net	31110,03.90	33528,60.90
(D)		
Loans in India		
(a) Public sector	-	-
(b) Others	32460,17.33	35470,08.85
Total (D) - Gross	32460,17.33	35470,08.85
Less: Impairment loss allowance	(1350,13.43)	(1941,47.95)
Total (D) - Net	31110,03.90	33528,60.90

Note:

- Investments in bonds, debentures and other financial instruments which, in substance, form a part of the Company's financing activities ("Credit Substitutes") have been classified under Loans.
- The Company covers/secures the credit risk associated with the loans given to customers by creating an exclusive charge/hypothecation/security on the assets/vehicles as mentioned/specified in the loan agreement with the customers.
- Includes Vehicle term loan lending done to Micro and Small Enterprises, for which the Company has availed the benefit of Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme to secure credit default risk.
- 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.
- Fully backed by guarantee of Central Government of India under the emergency credit Line guarantee scheme (ECLGS).

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

10. Investments	As at March 31 2024					As at March 31 2023							(₹ in lakhs)
Particulars	At fair value					At fair value							Total
	Amortised cost	Through other comprehensive income	Through profit or loss	Sub total	Others* (at cost)	Total	Amortised cost	Through other comprehensive income	Through profit or loss	Sub total	Others* (at cost)		
	(1)	(2)	(3)	(4=2+3)	(5)	(6=1+4+5)	(6)	(7)	(8)	(9=7+8)	(10)	(11=6+9+10)	
Category of investments													
(a) Mutual funds	-	-	300,38.96	300,38.96	-	300,38.96	-	-	407,22.61	407,22.61	-	407,22.61	
(b) Government securities	1247,24.91	-	9,68.30	9,68.30	-	1256,93.21	1231,24.93	-	9,49.10	9,49.10	-	1240,74.03	
(c) Equity instruments	-	168,97.57	797,73.68	966,71.25	1,29.75	968,01.00	-	129,96.52	180,48.28	310,44.80	1,29.75	311,74.55	
(d) Preference shares	40.00	-	-	-	-	40.00	1,90.00	-	-	-	-	1,90.00	
(e) Trust securities	-	-	5,02.28	5,02.28	-	5,02.28	-	-	4,89.34	4,89.34	-	4,89.34	
Total (A) - Gross	1247,64.91	168,97.57	1112,83.22	1281,80.79	1,29.75	2530,75.45	1233,14.93	129,96.52	602,09.33	732,05.85	1,29.75	1966,50.53	
(a) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	
(b) Investments in India	1247,64.91	168,97.57	1112,83.22	1281,80.79	1,29.75	2530,75.45	1233,14.93	129,96.52	602,09.33	732,05.85	1,29.75	1966,50.53	
Total (B)	1247,64.91	168,97.57	1112,83.22	1281,80.79	1,29.75	2530,75.45	1233,14.93	129,96.52	602,09.33	732,05.85	1,29.75	1966,50.53	
Less: Allowance for impairment loss (C)	-	-	-	-	-	-	-	-	-	-	-	-	
Total (D) = (A - C)	1247,64.91	168,97.57	1112,83.22	1281,80.79	1,29.75	2530,75.45	1233,14.93	129,96.52	602,09.33	732,05.85	1,29.75	1966,50.53	

*Represents the investment in equity instrument of TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) considered as a fellow subsidiary on account of representation on board held by the Company and accordingly measured at costs as per Ind AS 27 - Consolidated and Separate Financial Statements.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

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

Annexure to Note 10

(₹ in lakhs)

Face Value per unit (in Rs)	Description	Quantity (in nos.) as at March 31, 2024	As at March 31, 2024	Quantity (in nos.) as at March 31, 2023	As at March 31, 2023
Investments measured at fair value through other comprehensive income					
Investment in equity shares					
(a) Quoted					
1	i. Tata Steel Limited	6,095,110	94,99.24	6,095,110	63,69.39
10	ii. Tata Chemicals Limited	10,060	1,08.75	10,060	97.83
1	iii. Tata Power Limited	9,120	35.95	9,120	17.35
1	iv. Tata Consumer Products Limited (pursuant to Scheme of Arrangement, 114 shares were allotted for every 100 shares held in Tata Chemicals Limited)	11,468	1,25.71	11,468	81.29
10	v. NTPC Limited (Note 2)	-	-	156,000	2,73.16
1	vi. NMDC Limited (Note 2)	-	-	20,000	22.31
10	vii. NMDC Steel Limited ((pursuant to Scheme of Arrangement, 1 shares were allotted for every 1 shares held in NMDC Limited) (Note 2)	-	-	20,000	6.21
10	viii. Coal India Limited (Note 2)	-	-	11,904	25.43
(b) Unquoted					
10	i. Taj Air Limited	4,200,000	-	4,200,000	-
1,000	ii. Tata International Limited	19,350	42,29.14	19,350	41,94.55
100	iii. Tata Industries Limited	993,753	28,98.78	993,753	19,09.00
Subtotal (A)			168,97.57		129,96.52
Investments measured at fair value through profit and loss					
Investment in equity shares					
(a) Quoted					
10	i. Automobile Corporation of Goa Limited	48,315	10,45.37	48,315	3,46.85
2	ii. Tata Technologies Limited (Note 1)	8,119,920	787,28.31	-	-
(b) Unquoted					
2	i. Tata Technologies Limited (Note 1)	-	-	8,119,920	177,01.43
10	ii. Tata Hitachi Construction Machinery Company Private Limited	285,714	-	285,714	-
Investment in trust securities					
10	i. SBI Macquarie Infrastructure Trust	15,000,000	5,02.28	15,000,000	4,89.34
Investment in government securities (quoted)					
	i. Government securities bonds		9,68.30		9,49.10
Investments in Mutual fund (quoted)					
			300,38.96		407,22.61
Subtotal (B)			1112,83.22		602,09.33
Investments measured at Amortised cost					
Investment in Preference shares					
Fully Paid Non - Cumulative Redeemable Preference shares (Unquoted)					
100	(a) 6% Tata Precision Industries (India) Limited	40,000	40.00	40,000	40.00
Fully Paid Cumulative Redeemable Preference shares (Unquoted)					
100	(b) 8.50% Tata Precision Industries (India) Limited	-	-	150,000	1,50.00
Investments in Debentures and Bonds measured at Amortised Cost					
Fully Paid Secured, Non - Cumulative, Non - Convertible, Redeemable Debentures (quoted)					
5	(a) 8.49% NTPC Limited (issued as bonus debenture) - Note 3	275,752	-	275,752	-
Investment in government securities (Quoted)					
	(a) Treasury bills		149,91.63		134,44.04
	(b) Government securities bonds		1097,33.28		1096,80.89
Subtotal (C)			1247,64.91		1233,14.93
Investments measured at cost					
(i) Investment in equity shares (unquoted)					
3.80	TMF Business Services Limited (Formerly Tata Motors Finance Limited)*	18,22,016	1,29.75		1,29.75
Subtotal (D)			1,29.75		1,29.75
Total (A + B + C + D)			2530,75.45		1966,50.53

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

- Note:-**
1. During the financial year ended March 31, 2024 the equity shares of Tata Technologies were listed on the recognised stock exchange.
 2. During the period ended December 31, 2023, Investment committee has approved for disinvestment. Hence, these investments have been classified as assets-held for sale.
 3. During the financial year ended March 31, 2024 there has been partial face value redemption in 8.49% NTPC Limited debentures. Thus, restated face value post such partial face value redemption stands at Rs. 5.

11. Other financial assets

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(a) Deposits (Net of provision ₹ 10.17 lakhs; March 31, 2023 ₹ 52.96 lakhs)	10,44.20	30,62.51
(b) Interest accrued on deposits	43.40	2,46.21
(c) Interest accrued on investments	13.11	13.09
(d) Receivable from mutual funds	200,15.10	-
(e) Others (Net of provision ₹ 54,09.85 lakhs; March 31, 2023 ₹ 27,41.49 lakhs)	875,91.17	876,55.34
Total	1087,06.98	909,77.15

12. Income taxes

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

Particulars	(₹ in lakhs)	
	For the year ended March 31	For the year ended March 31
	2024	2023
Income tax expense		
<u>Current tax</u>		
Current tax on profits for the year	-	3,54.09
Adjustments for current tax of prior periods	-	-
Total current tax expense	-	3,54.09
<u>Deferred tax</u>		
Decrease (increase) in deferred tax assets	108,58.25	(3,85.89)
(Decrease) increase in deferred tax liabilities	63,68.61	21,10.89
Total deferred tax expense/(benefit)	172,26.86	17,25.00
Income Tax expense	172,26.86	20,79.09

b) Reconciliation of the income tax expenses and accounting profit

Particulars	(₹ in lakhs)	
	For the year ended March 31	For the year ended March 31
	2024	2023
Reconciliation of the income tax expense and the accounting profit multiplied by India's tax rate:		
Profit before taxes	224,14.72	(918,74.21)
Income tax expenses calculated at Statutory tax rate	56,41.34	(231,22.90)
Tax effect of the amount which are not taxable in calculating taxable income :		
- Effect of expenses not deductible for tax computation	69.95	1,82.98
- Effect of income taxable at lower rate	(97,59.94)	-
- Deferred tax assets not recognised because realization is not probable	258,57.38	251,16.04
- Previously unrecognised deferred tax assets recognised now	(43,88.13)	-
- Adjustment recognised in relation to the current tax of prior years	-	(97.03)
- Others	(1,93.74)	-
Income tax expense/(credit) recognised for the year at effective tax rate	172,26.86	20,79.09

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

c) Deferred tax assets/liabilities (net)

Particulars	(₹ in lakhs)			
	As at April 01, 2023	Through profit and loss	Through other comprehensive income/ Reserve	As at March 31, 2024
Deferred tax liabilities :				
- Fair Valuation of financial assets measured at FVTOCI and FVTPL	183,41.12	58,08.33	(7,31.75)	234,17.70
- Income to be taxed on actual receipt basis	77,51.29	6,30.41	-	83,81.70
- Sourcing commission claimed on incurrence basis	40,75.13	(70.13)	-	40,05.00
Total deferred tax liabilities	301,67.54	63,68.61	(7,31.75)	358,04.40
Deferred tax asset :				
- Property, plant & equipment - Accumulated depreciation	9,76.74	(1,72.80)	-	8,03.94
- Provisions for impairment allowances on financial assets	459,13.62	(156,57.42)	-	302,56.20
- Compensated absences and retirement benefits allowable on payment basis	5,08.76	1,04.98	-	6,13.74
- Unabsorbed depreciation under tax book	-	43,88.13	-	43,88.13
- Others	(3,47.67)	4,78.86	7,74.98	9,06.17
Total deferred tax assets	470,51.45	(108,58.25)	7,74.98	369,68.18
Deferred tax assets/(liabilities) (net)	168,83.91	(172,26.86)	15,06.73	11,63.78

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

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

c) Deferred tax assets/liabilities (net)

(₹ in lakhs)					
Particulars	As at April 1, 2022	Transferred as part of demerger	Through profit and loss	Through other comprehensive income	As at March 31, 2023
Deferred tax liabilities :					
- Fair Valuation of financial assets measured at FVTOCI and FVTPL	27,48.20	135,98.72	1,34.16	18,60.04	183,41.12
- Income to be taxed on actual receipt basis	14,44.23	46,70.71	16,36.35	-	77,51.29
- Sourcing commission claimed on incurrence basis	8,46.25	28,88.50	3,40.38	-	40,75.13
Total deferred tax liabilities	50,38.68	211,57.93	2,110.89	18,60.04	301,67.54
Deferred tax asset :					
- Property, plant & equipment - Accumulated depreciation	50.97	9,38.55	(12.78)	-	9,76.74
- Provisions for impairment allowances on financial assets	59,82.88	391,57.06	7,73.68	-	459,13.62
- Compensated absences and retirement benefits allowable on payment basis	58.11	4,58.24	(7.59)	-	5,08.76
- Others	77.52	(57.77)	(3,67.42)	-	(3,47.67)
Total deferred tax assets	61,69.48	404,96.08	3,85.89	-	470,51.45
Deferred tax assets/(liabilities) (net)	11,30.80	193,38.15	(17,25.00)	(18,60.04)	168,83.91

d) Amounts recognised directly in equity

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

e) Tax losses

As at March 31, 2024, unrecognised deferred tax assets amounted to ₹ Nil (As at March 31, 2023 - ₹ 41,50.83 lakhs) which can be carried forward indefinitely and ₹ 569,21.26 lakhs (As at March 31, 2023 - ₹ 272,02.05 lakhs) which can be carried forward upto a specified period. These relate primarily to depreciation carry forwards and business losses. The deferred tax asset has not been recognised on the basis that its recovery is not probable in the foreseeable future.

Unrecognised deferred tax assets expire unutilised based on the year of origination as follows:

(₹ in lakhs)	
Year	Amount
March 31, 2031	272,00.49
March 31, 2032	297,20.77
Total	569,21.26

A scheme of arrangement was filed by TMF Business Services Limited ('TMFBSL'), and Tata Motors Finance Limited [formerly known as Tata Motors Finance Solutions Limited] ('TMFL') for demerger of Non-banking Finance related Business of TMFBSL into the Company, which was approved by the Hon'ble National Company Law Tribunal, Mumbai bench on 12 May 2023. The Scheme came in to effect from June 30, 2023. Appointed date of the Scheme is as 1 April 1 2023. In accordance with the provision of section 72A of the Income Tax Act, 1961, Pursuant to this demerger, business losses of ₹ 1080,75.72 lakhs and unabsorbed depreciation of ₹ 362,81.48 lakhs were transferred from TMFBSL to the company.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

13A. Property, plant and equipment

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	Deletions	Balance as at March 31, 2024	Balance as at March 31, 2024
(a) Buildings #	91.18	-	-	91.18	5.23	-	10.47	80.71
(b) Right of Use Assets	89,79.57	15,38.41	4,80.21	100,37.77	14,49.77	1,91.27	29,42.76	70,95.01
(c) Furniture and fixtures	4,51.96	86.18	87.11	4,51.03	1,05.27	43.28	1,26.12	3,24.91
(d) Vehicles	6,29.08	17,00.81	2,29.73	21,00.16	1,68.13	99.20	4,01.42	16,98.74
(e) Office equipments	6,39.96	3,84.62	68.24	9,56.34	2,65.94	38.77	3,66.99	5,89.35
(f) Data processing machines	11,21.95	11,07.56	72.45	21,57.06	4,37.47	51.04	9,56.16	12,00.90
(g) Leasehold improvement	3,45.52	38.40	-	3,83.92	74.41	-	1,65.10	2,18.82
Total	122,59.22	48,55.98	9,37.74	161,77.46	25,06.22	4,23.56	49,69.02	112,08.44

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

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

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

13B. Goodwill

Particulars	Balance as at April 1, 2023	Impairment/ (charge)	Balance as at March 31, 2024
(a) Goodwill	180,25.25	-	180,25.25
Total	180,25.25	-	180,25.25

As at March 31, 2024, goodwill of ₹ 180,25.25 lakhs has been allocated to the Used Vehicle Financing Business acquired which is the Cash Generating Unit (referred to as "CGU"). The recoverable amount of the cash generating unit has been determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions.

The estimated cash flows for a period of 4 years were developed using internal forecasts, and discount rate of 13.30% which is cost of equity derived based on Capital Asset Pricing Model (CAPM). The cash flows beyond 3 years have been extrapolated assuming 6% growth rates. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

13C. Other intangible assets

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	Deletions	Balance as at March 31, 2024	Balance as at March 31, 2024
(a) Computer Software	5,91.12	7,24.18	-	13,15.30	3,66.59	-	5,92.13	7,23.17
Total	5,91.12	7,24.18	-	13,15.30	3,66.59	-	5,92.13	7,23.17

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

13A. Property, plant and equipment

Particulars	Balance as at April 1, 2022	Included pursuant to common control transaction	Gross Block Additions	Deletions	Balance as at March 31, 2023	Balance as at April 1, 2022	Accumulated Depreciation Deletions	Balance as at March 31, 2023	Net Block Balance as at March 31, 2023
(a) Buildings #	-	91.18	-	-	91.18	-	5.23	5.23	85.95
(b) Right of Use Assets	-	66,17.53	26,37.48	2,75.44	89,79.57	-	15,51.47	14,49.77	75,29.80
(c) Furniture and fixtures	10.26	3,14.69	1,43.93	16.92	4,51.96	2.24	1,04.98	1,05.27	3,46.69
(d) Vehicles	1,25.41	3,26.46	2,76.60	99.39	6,29.08	59.54	1,59.54	1,68.13	4,60.95
(e) Office equipments	1,64.40	3,10.89	1,71.29	6.62	6,39.96	1,56.16	1,10.83	2,65.94	3,74.02
(f) Data processing machines	2,15.89	4,17.33	5,09.99	21.26	11,21.95	1,48.84	3,01.43	4,37.47	6,84.48
(g) Leasehold improvement	-	2,33.38	1,12.14	-	3,45.52	-	74.41	74.41	2,71.11
Total	5,15.96	83,11.46	38,51.43	4,19.63	122,59.22	3,66.78	23,07.89	25,06.22	97,53.00

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

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

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

13B. Goodwill

Particulars	Balance as at April 1, 2023	Impairment/ (charge)	Balance as at March 31, 2023
(a) Goodwill	180,25.25	-	180,25.25
Total	180,25.25	-	180,25.25

As at March 31, 2023, goodwill of ₹ 180,25.25 lakhs has been allocated to the Used Vehicle Financing Business acquired which is the Cash Generating Unit (referred to as "CGU"). The recoverable amount of the cash generating unit has been determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions.

The estimated cash flows for a period of 4 years were developed using internal forecasts, and discount rate of 12.95% which is cost of equity derived based on Capital Asset Pricing Model (CAPM). The cash flows beyond 4 years have been extrapolated assuming 6% growth rates. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

13C. Other intangible assets

Particulars	Balance as at April 1, 2022	Included pursuant to common control transaction	Gross Block Additions	Deletions	Balance as at March 31, 2023	Balance as at April 1, 2022	Accumulated Amortisation Deletions	Balance as at March 31, 2023	Net Block Balance as at March 31, 2023
(a) Computer Software	2,69.50	3,21.62	-	-	5,91.12	2,50.59	1,16.00	3,66.59	2,24.53
Total	2,69.50	3,21.62	-	-	5,91.12	2,50.59	1,16.00	3,66.59	2,24.53

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

14. Other non-financial assets

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(a) Capital Advances	2,13.79	6,53.61
(b) Deposits with statutory authorities (Net of provision ₹ 41.85 lakhs; March 31, 2023 ₹ 87.92 lakhs)	1,91.47	70.85
(c) Deposits paid under protest	13,08.15	11,82.51
(d) Prepaid expenses	40,06.23	62,46.29
(e) Taxes recoverable and dues from government (Net of provision ₹ 3,03.69 lakhs; March 31, 2023 ₹ 3,03.69 lakhs)	93,35.95	65,51.28
(f) Stamp papers	12,58.61	11,30.71
(g) Others (Net of provision ₹ 2,17.28 lakhs; March 31, 2023 ₹ 2,34.08 lakhs)	26,14.09	16,82.72
Total	189,28.29	175,17.97

15. Derivative financial instruments - March 31, 2024

Particulars	(₹ in lakhs)			
	Notional Amounts	Fair Value Assets	Notional Amounts	Fair Value Liabilities
Currency derivatives				
Forward Contracts	-	-	-	-
Forward exchange contracts	-	-	1831,18.34	4,91.29
Subtotal	-	-		4,91.29
Interest rate derivatives				
Interest rate swaps	1831,18.34	13,42.21	-	-
Subtotal	1831,18.34	13,42.21	-	-
Other derivatives				
Cross currency interest rate swaps	538,96.25	89,02.02	-	-
Subtotal		89,02.02	-	-
Total Derivative Financial Instruments	2370,14.59	102,44.23	1831,18.34	4,91.29
Derivative designated as hedge				
Fair value hedging:				
Interest Rate Derivative	-	-	-	-
Subtotal	-	-	-	-
Cash flow hedging:				
Forward exchange contracts	-	-	1831,18.34	4,91.29
Cross currency interest rate swaps	538,96.25	89,02.02	-	-
Interest rate swaps	1831,18.34	13,42.21	-	-
Subtotal	2370,14.59	102,44.23	1831,18.34	4,91.29
Undesignated Derivatives				
Interest Rate Swaps	-	-	-	-
Subtotal	-	-	-	-
Total Derivative Financial Instruments	2370,14.59	102,44.23	1831,18.34	4,91.29

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

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

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

Derivative financial instruments - March 31, 2023

(₹ in lakhs)

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

16. Payables

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(a) Trade Payables		
i. total outstanding dues of micro enterprises and small enterprises	13,07.47	13,54.69
ii. total outstanding dues of creditors other than micro enterprises and small enterprises	279,06.66	249,30.77
Total	292,14.13	262,85.46
(b) Other Payables		
i. total outstanding dues of micro enterprises and small enterprises	-	-
ii. total outstanding dues of creditors other than micro enterprises and small enterprises	110,70.40	103,85.12
Total	110,70.40	103,85.12

Note: Information in respect of micro enterprises and small enterprises to whom the Company owes dues (including interest of ₹ Nil), which are due during the period or outstanding as at the balance sheet date and disclosed above as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditor.

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

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
a) Principal amount due	13,07.47	13,54.69
b) Interest due on above	-	-
c) Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 200	-	-
d) Amount of interest due and payable for the period of delay	-	-
e) Amount of interest accrued and remaining unpaid as at year end	-	-
f) Amount of further remaining due and payable in the succeeding year	-	-
Total	13,07.47	13,54.69

As at March 31, 2024

Particulars	(₹ in lakhs)						Total
	Not due	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	11,54.96	-	1,52.51	-	-	-	13,07.47
(ii) Others	171,83.97	35,66.50	63,06.82	2,42.52	3,83.74	2,23.11	279,06.66
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	183,38.93	35,66.50	64,59.33	2,42.52	3,83.74	2,23.11	292,14.13

As at March 31, 2023

Particulars	(₹ in lakhs)						Total
	Not due	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	10,66.67	2,83.13	4.89	-	-	-	13,54.69
(ii) Others	147,80.99	44,22.85	48,71.45	5,58.08	90.96	2,06.44	249,30.77
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	158,47.66	47,05.98	48,76.34	5,58.08	90.96	2,06.44	262,85.46

17. Debt securities - At amortised cost

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(a) Privately placed non-convertible debentures		
i. Secured (refer note i)	-	998,95.45
ii. Unsecured	2757,19.43	3266,40.64
(b) Commercial paper		
i. Unsecured (net of unamortised discounting charges and borrowing cost of ₹ 27,29.43 lakhs; March 31, 2023 ₹ 144,92.17 lakhs)	1072,70.57	3602,07.83
Total (A)	3829,90.00	7867,43.92
(a) Debt securities in India	3829,90.00	7867,43.92
(b) Debt securities outside India	-	-
Total (B)	3829,90.00	7867,43.92

Note (i): Nature and extent of security for secured borrowings outstanding

Nature and extent of Security created and maintained for secured non-convertible debentures (privately placed) listed on WDM segment of NSE as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

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

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

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

Details of Non Convertible Debentures (Secured)

From Balance sheet Date	As at March 31,2024		As at March 31,2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Issued on private placement basis				
Repayable on Maturity:				
Maturing within 1 Year	-	-	8.50% to 8.75%	1000,00.00
Total Face Value		-		1000,00.00
Less: Unamortised borrowing cost		-		1,04.55
Total Amortised cost		-		998,95.45

* These NCDs are zero coupon NCDs issued at par value and redeemable at premium and the amount stated above are gross of premium on redemption.

Details of Non Cumulative Debentures (Unsecured)

From Balance sheet Date	As at March 31,2024		As at March 31,2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Issued on private placement basis				
Repayable on Maturity:				
Maturing within 1 Year	7.15% to 10.54%	1987,81.76	7.97% to 7.97%	600,00.00
Maturing between 1 year to 3 Years	8.43% to 8.43%	966,31.64	7.48% to 9.49%	1987,81.76
Maturing between 3 Years to 5 Years	-	-	8.43% to 8.43%	966,31.64
Total Face Value		2954,13.40		3554,13.40
Less: Unamortised borrowing cost		196,93.97		287,72.76
Total Amortised cost		2757,19.43		3266,40.64

Details of Commercial Papers (Unsecured)		(₹ in lakhs)	
From Balance sheet Date	As at March 31, 2024		As at March 31, 2023
	Interest Rate Range	Amount	Interest Rate Range Amount
Repayable on Maturity:			
Maturing within 1 Year	8.32% to 8.45%	1100,00.00	6.70% to 8.65% 3747,00.00
Total Face Value		1100,00.00	3747,00.00
Less: Unamortised discounting charges		27,29.43	144,92.17
Total Amortised cost		1072,70.57	3602,07.83

18. Borrowings (Other than debt securities)

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(a) Term loans from banks		
i. Secured	19826,73.45	18396,27.81
(refer note 1 and 1.1)		
ii. Unsecured	2463,71.89	3692,45.33
(b) Inter Corporate Deposits from related parties (unsecured)	-	94.84
(c) Loans repayable on demand from banks		
i. Secured	2740,00.00	1910,00.00
(refer note 1)		
ii. Unsecured	174,90.00	-
(e) Cash Credit from banks (secured)	143,03.94	74,98.01
(refer note 1)		
(f) Collateralised Debt Obligation (secured)	-	74,87.24
(refer note 1)		
Total (A)	25348,39.28	24149,53.23
(a) Borrowings in India	22867,93.95	23207,05.34
(b) Borrowings outside India	2480,45.33	942,47.89
Total (B)	25348,39.28	24149,53.23

Notes

Nature of Security for secured term loans, cash credit and loans repayable on demand from banks

(1) Secured term loans from banks are secured by a pari-passu charge in favour of the security trustee on:

- a) All receivables of the Company arising out of loan, lease transactions and trade advances.
 - b) All other book debts.
 - c) Receivables from pass through certificates in which Company has invested.
 - d) All factoring receivables
 - e) Such other current assets as may be identified by the Company from time to time and accepted by the security trustee.
- (1.1) External Commercial borrowings is secured by way of first pari passu charge in favour of lenders on receivables of the Company.
- (2) The Company has utilized all its borrowings from Banks & Financial Institutions for the purpose they have been borrowed.
- (3) None of the borrowings have been guaranteed by directors or others.
- (4) The Company has not defaulted in repayment of principal and interest.

Details of Term Loans from banks (Secured)

(₹ in lakhs)

From Balance sheet Date	As at March 31, 2024		As at March 31, 2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
1. Repayable on Maturity:				
Maturing within 1 Year	7.40% to 9.11%	200,500.00	7.77% to 8.97%	2825,00.00
Maturing between 1 year to 3 Years	8.79% to 8.79%	200,00.00	7.40% to 8.88%	875,00.00
Total repayable on maturity (A)		2205,00.00		3700,00.00
2. Repayable in Installments:				
i. on quarterly basis				
Maturing within 1 Year	8.25% to 9.80%	3695,79.91	7.40% to 9.15%	3596,51.45
Maturing between 1 year to 3 Years	8.25% to 9.40%	4496,43.64	7.40% to 10.00%	5198,29.76
Maturing between 3 Years to 5 Years	8.25% to 9.10%	1414,06.10	7.50% to 8.95%	1222,35.72
Subtotal (B)		9606,29.65		10017,16.93
ii. on half yearly basis				
Maturing within 1 Year	8.50% to 9.85%	909,44.88	7.75% to 8.80%	883,75.00
Maturing between 1 year to 3 Years	8.50% to 9.10%	2842,91.43	7.25% to 8.80%	1218,54.17
Maturing between 3 Years to 5 Years	8.50% to 8.85%	1289,51.19	7.40% to 7.85%	883,33.33
Subtotal (C)		5041,87.50		2985,62.50
iii. on yearly basis				
Maturing within 1 Year	7.85% to 9.05%	200,00.00	7.60% to 8.80%	266,66.67
Maturing between 1 year to 3 Years	9.05% to 9.05%	200,00.00	7.60% to 8.70%	300,00.00
Maturing between 3 Years to 5 Years	9.05% to 9.05%	10,000.00	8.70% to 8.70%	200,00.00
Subtotal (D)		500,00.00		766,66.67
Total repayable on installments (E = B+C+D)		15148,17.15		13769,46.10
Total term loans as per contractual terms (F = A+E)		17353,17.15		17469,46.10
Less: Unamortised borrowing costs		6,89.04		15,66.18
Total Amortised cost (G)		17346,28.11		17453,79.92

Details of External Commercial Borrowings (USD)

(₹ in lakhs)

From Balance sheet Date	As at March 31, 2024		As at March 31, 2023	
	Interest Rate Range (Refer note)	Amount	Interest Rate Range (Refer note)	Amount
1. Repayable on Maturity:				
Maturing within 1 Year	9.04% to 9.17%	83,382.12	7.90% to 7.90%	123,25.50
Maturing between 1 year to 3 Years	8.62% to 8.78%	1650,87.55	8.97% to 9.16%	822,19.36
Total repayable on maturity		2484,69.67		945,44.86
Less: Unamortised borrowing costs		4,24.33		2,96.97
Total Amortised cost (H)		2480,45.34		942,47.89
Grand Total (I = G + H)		19826,73.45		18396,27.81

Note : Represents effective interest rates which includes cost of hedging

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

Details of Term Loans from banks (Unsecured)

(₹ in lakhs)

From Balance sheet Date	As at March 31, 2024		As at March 31, 2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
1. Repayable on Maturity:				
Maturing within 1 Year	7.90% to 8.90%	21,000.00	-	-
Maturing between 1 year to 3 Years	-	-	8.40% to 8.40%	21,000.00
Maturing between 3 Years to 5 Years	8.80% to 8.90%	40,000.00	8.25% to 8.65%	40,000.00
Total repayable on maturity (A)	-	610,00.00		610,00.00
2. Repayable in Installments:				
i. on monthly basis				
Maturing within 1 Year	-	-	-	-
Maturing between 1 year to 3 Years	-	-	-	-
Maturing between 3 Years to 5 Years	-	-	-	-
Maturing beyond 5 Years	-	-	-	-
Subtotal (B)				
ii. on quarterly basis				
Maturing within 1 Year	9.05% to 9.05%	62,50.00	8.60% to 8.60%	62,50.00
Maturing between 1 year to 3 Years	9.05% to 9.05%	125,00.00	8.60% to 8.60%	125,00.00
Maturing between 3 Years to 5 Years	-	-	8.60% to 8.60%	62,50.00
Subtotal (B)		187,50.00		250,00.00
iii. on half yearly basis				
Maturing within 1 Year	8.80% to 9.20%	666,66.67	7.80% to 8.85%	416,66.67
Maturing between 1 year to 3 Years	8.80% to 8.80%	250,00.00	7.80% to 8.85%	916,66.67
Total repayable in installments (C)		916,66.67		1333,33.34
iv. on yearly basis				
Maturing within 1 Year	8.70% to 8.95%	750,00.00	7.95% to 8.10%	75,000.00
Maturing between 1 year to 3 Years	-	-	7.95% to 8.10%	75,000.00
Subtotal (D)		750,00.00		1500,00.00
Total repayable on installments (E = B+C+D)		1854,16.67		3083,33.34
Total term loans as per contractual terms (F = A+E)		2464,16.67		3693,33.34
Less: Unamortised borrowing costs		44.78		88.01
Total Amortised cost		2463,71.89		3692,45.33

Details of Inter corporate deposits (ICDs) (Unsecured)

From Balance sheet Date	As at March 31, 2024		As at March 31, 2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Maturing within 1 Year	-	-	8.39% to 8.39%	94.84
Total		-		94.84
Less: Unamortised finance cost		-		-
Total Amortised cost		-		94.84

Details of Loans repayable on demand from banks (Secured)

From Balance sheet Date	As at March 31, 2024		As at March 31, 2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Maturing within 1 Year	7.70% to 8.50%	2740,00.00	7.50% to 8.30%	1910,00.00
Total		2740,00.00		1910,00.00
Less: Unamortised borrowing costs		-		-
Total Amortised cost		2740,00.00		1910,00.00

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

Details of Loans repayable on demand from banks (unsecured)

From Balance sheet Date	As at March 31, 2024		As at March 31, 2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Maturing within 1 Year	8.08% to 8.08%	174,90.00	-	-
Total		174,90.00		-

Details of Cash credit facilities (Secured)

From Balance sheet Date	As at March 31, 2024		As at March 31, 2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Maturing within 1 Year	8.90% to 9.05%	143,03.94	7.95% to 7.95%	74,98.01
Total		143,03.94		74,98.01
Less: Unamortised borrowing costs		-		-
Total Amortised cost		143,03.94		74,98.01

Details of Collateralised Debt Obligation (Secured)

From Balance sheet Date	As at March 31, 2024		As at March 31, 2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Maturing within 1 Year	-	-	6.40% to 8.00%	74,87.24
Total		-		74,87.24
Less: Unamortised borrowing costs		-		-
Total Amortised cost		-		74,87.24

(₹ in lakhs)

19. Subordinated liabilities (unsecured)

Particulars	As at March 31, 2024	As at March 31, 2023
	2024	2023
(a) Perpetual Debt Instruments to the extent that do not qualify as equity (unsecured)	50,10.50	124,81.59
(b) Privately placed subordinated unsecured redeemable, non-convertible debentures	1032,75.57	1186,85.64
Total (A)	1082,86.07	1311,67.23
(a) Debt securities in India	1082,86.07	1311,67.23
(b) Debt securities outside India	-	-
Total (B)	1082,86.07	1311,67.23

(₹ in lakhs)

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

(₹ in lakhs)

From Balance sheet Date	As at March 31, 2024		As at March 31, 2023	
	Interest Rate Range	Amount	Interest Rate Range	Amount
Issued on private placement basis				
Repayable on Maturity:				
Maturing within 1 Year	9.70% to 10.60%	235,00.00	9.85% to 10.15%	155,10.00
Maturing between 1 year to 3 Years	-	-	9.70% to 10.60%	235,00.00
Maturing between 3 Years to 5 Years	8.35% to 10.00%	500,00.00	8.35% to 9.00%	250,00.00
Maturing beyond 5 Years	9.95% to 10.25%	300,00.00	9.95% to 10.25%	550,00.00
Total Face Value		1035,00.00		1190,10.00
Less: Unamortised borrowing cost		2,24.43		3,24.36
Total Amortised cost		1032,75.57		1186,85.64

Details of Subordinated liabilities in the nature of unsecured non-convertible Perpetual Debentures*

(₹ in lakhs)

Particulars	Face Value	As at March 31, 2024
		2024
11.10% TMFL Perpetual "A" FY 2014-15	10 Lakhs	50,30.00
Total		50,30.00
Less : Unamortised Borrowing Cost		19.50
Total Amortised cost		50,10.50

Note 1 - Redemption period is not applicable as the NCDs are perpetual. The Company 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.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

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

20. Other financials liabilities

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(a) Interest accrued on borrowings	154,33.60	241,79.35
(b) Payable for assigned receivables	437,31.64	446,57.38
(c) Deposits	8,56.36	6,74.21
(d) Lease liability for right of use assets	81,67.74	83,89.28
(e) Others	473,33.47	223,75.81
Total	1155,22.81	1002,76.03

21. Provisions

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(a) Provision for leave encashment	11,19.22	10,30.83
(b) Provision for gratuity	7,51.78	57.59
(c) Provision for Indirect taxes	68,92.43	68,92.43
(d) Provision for consumer disputes	11,18.99	1,19.55
Total	98,82.42	81,00.40

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

(a) Provision for Indirect taxes

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
Opening Balance	68,92.43	66,26.52
Add : Provision during the year	-	2,65.91
Less : Utilisation/reversal during the year	-	-
Closing Balance	68,92.43	68,92.43

(b) Provision for consumer disputes

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
Opening Balance	1,19.55	72.54
Add : Provision during the year	10,21.99	1,07.93
Less : Utilisation/reversal during the year	22.55	60.92
Closing Balance	11,18.99	1,19.55

22. Other non-financial liabilities

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
(a) Statutory dues	50,77.37	53,19.37
(b) Others	19,00.41	25,65.74
Total	69,77.78	78,85.11

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

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

23A. Equity Share Capital

Particulars	As at March 31		As at March 31	
	2024		2023	
	Number	₹	Number	₹
A Authorised				
(a) Equity shares of ₹ 100 each	630,000,000	6300,00.00	530,000,000	5300,00.00
(b) Preference shares of ₹ 100 each (redeemable)	20,000,000	200,00.00	20,000,000	200,00.00
	650,000,000	6500,00.00	550,000,000	5500,00.00
B Issued, Subscribed and Fully Paid up				
Equity Shares of ₹ 100 each	496,939,176	4969,39.18	170,049,735	1700,49.74
Total	496,939,176	4969,39.18	170,049,735	1700,49.74

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

Particulars	As at March 31		As at March 31	
	2024		2023	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	170,049,735	1700,49.74	170,049,735	1700,49.74
Allotment of shares on account of Demerger Scheme (Refer note 35)	326,889,441	3268,89.44	-	-
Shares outstanding at the end of the year	496,939,176	4969,39.18	170,049,735	1700,49.74

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

Particulars	As at March 31		As at March 31	
	2024		2023	
	Number	% of Issued Share Capital	Number	% of Issued Share Capital
A. Equity shares with voting rights				
Holding Company				
TMF Holdings Limited	496,939,176	100.00	170,049,735	100.00

c) Details of shares held by Promoters

Promoter name	As at March 31		As at March 31	
	2024		2023	
	No. of shares	% of Issued Share Capital	No. of shares	% of Issued Share Capital
TMF Holdings Limited	496,939,176	100.00	170,049,735	100.00

There is no change in promoters shareholding (except new issuance as determined in part {a}) during year ended March 31, 2024 and year ended March 31, 2023.

d) Terms / rights attached to equity shares:

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

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

- During the year ended March 31, 2024, pursuant to scheme of demerger the Company has issued 32,68,89,441 of equity shares without payment being received in cash. (Refer note 35)
- The Company has not issued any bonus shares.
- 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 at the end of the reporting year (March 31, 2023 – Nil).

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

23B. Instruments entirely equity in nature

(i) Perpetual Debt

Particulars	As at March 31		As at March 31	
	2024		2023	
	Number	₹	Number	₹
Balance as at beginning of the year	18,080.00	1808,00.00	14,480.00	1448,00.00
Increase during the year	-	-	3,600.00	360,00.00
Balance as at end of the year	18,080.00	1808,00.00	18,080.00	1808,00.00

The Company has issued subordinated, listed, unsecured, rated perpetual securities aggregating to ₹ 1808,00 lakhs.

The coupon on these securities ranges between 8.35% p.a. to 11.50% 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.

a) The Coupon on these securities shall not be cumulative except where the company shall not be liable to pay coupon and may defer the payment of Coupon, if

i. its capital to risk assets ratio ("CRAR") is below the minimum regulatory requirement prescribed by RBI; or

ii. the impact of such payment results in the Company's CRAR falling below or remaining below the minimum regulatory requirement prescribed by Reserve Bank of India;

b) In the event that making of any Coupon payment by the Issuer may result in net loss or increase the net loss of the Issuer, the making of such of Coupon payment by the Issuer shall be subject to the prior approval of the RBI and shall be made on receipt of such approval provided that the CRAR remains above the regulatory norm after the making of such payment.

c) The Coupon on the Debentures shall not be cumulative except in cases as in (a) above.

As these securities are perpetual in nature and the Company does not have any redemption obligation, these have been classified as equity.

23C. Equity Component of Compound Financial Instrument

Particulars	As at March 31		As at March 31	
	2024		2023	
	Number	₹	Number	₹
Authorised				
Preference shares of ₹ 100 each	80,000,000	800,00.00	80,000,000	800,00.00
		800,00.00		800,00.00
Issued, Subscribed and Fully Paid up				
Equity portion of cumulative, non-participating Compulsorily convertible preference share (CCPS) of ₹ 100 each	-	-	-	-
Equity portion of non-cumulative, non-participating Compulsorily convertible preference share (CCPS) of ₹ 100 each	-	-	-	-
Total	-	-	-	-

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

Particulars	As at March 31		As at March 31	
	2024		2023	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	-	-	72,300,000	471,11.44
Shares converted during the year into equity (Refer point (e) below)	-	-	72,300,000	(471,11.44)
Shares outstanding at the end of the year	-	-	-	-

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

Particulars	As at March 31		As at March 31	
	2024		2023	
	Number	% of total shares	Number	% of total shares
TMF Holdings Limited	-	-	-	-

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

c) Details of Compulsorily Convertible Preference Shares (CCPS) held by each

Particulars	As at March 31		As at March 31	
	2024		2023	
	Number of shares held	% of holding in that class of shares	Number of shares held	% of holding in that class of shares
TMF Holdings Limited	-	-	-	-

d) Details of shares held by Promoters

Particulars	As at March 31		As at March 31	
	2024		2023	
	No. of Shares	% of total shares	No. of Shares	% of total shares
TMF Holdings Limited	-	-	-	-

e) Terms / rights attached to preference shares:

The Company had cumulative, non-participating compulsorily convertible preference shares (CCPS) having a face value of ₹ 100 each. The holders of the CCPS are entitled for dividend on a yearly basis, in preference to the equity shareholders, subject to applicable law, availability of profits, after provision for depreciation. The CCPS were mandatorily convertible into equity shares on the date falling at the expiry of 7 years from the CCPS allotment date.

However, on June 29, 2022, the Company had early converted the outstanding Compulsorily convertible preference share (CCPS) at pre-determined conversion ratio. On conversion of CCPS, the Company had issued 23,470,506 equity shares of face value of ₹ 100 each against 723,00,000 no. of CCPS of face value of ₹ 100 each.

f) 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.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

Note 23D

(I) Other components of equity

(1) The movement of Equity instruments through Other Comprehensive Income (OCI) is as follows :- (₹ in lakhs)

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Balance at the beginning of the year	62,81.87	-
Included pursuant to common control transaction		65,61.15
Other comprehensive income for the year	45,27.85	(3,73.87)
Income tax relating to gain/loss arising on other comprehensive income where applicable	(11,39.57)	94.59
Balance at the end of the year	96,70.15	62,81.87

(2) The movement of Hedging Reserve is as follows :- (₹ in lakhs)

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Balance at the beginning of the year	21,95.82	-
Included pursuant to common control transaction	-	(9,21.58)
Gain/(loss) reclassified to profit or loss	(5,55.00)	31,17.40
Balance at the end of the year	16,40.82	21,95.82

(3) The movement of Cost of Hedging Reserve is as follows :- (₹ in lakhs)

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Balance at the beginning of the year	(6,35.89)	-
Included pursuant to common control transaction		(4,57.02)
Gain/(loss) recognised on cash flow hedges - Gain/(Loss)	-	(11,88.56)
Gain/(loss) reclassified to profit or loss	21,41.28	10,09.69
Balance at the end of the year	15,05.39	(6,35.89)

(4) The movement of Debt instruments through other comprehensive income is given in note no. 38 'Fair Value measurement'

(5) Summary of Other components of equity :- (₹ in lakhs)

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Equity instruments through other comprehensive income	96,70.15	62,81.87
Hedging Reserve	16,40.82	21,95.82
Cost of hedging reserve	15,05.39	(6,35.89)
Debt instruments through other comprehensive income	407,54.02	463,18.02
Total	535,70.38	541,59.82

(I) Notes to reserves

(1) Special reserve

As per Section 45-IC of the 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 as disclosed in the Statement of Profit and Loss and before any dividend is declared. No appropriation of any sum from the reserve fund can be made by the Company except for the purpose as may be specified by the Reserve Bank of India from time to time and every such appropriation shall be reported to the Reserve Bank of India within twenty-one days from the date of such withdrawal. The Company transfers said amount at the end of the financial year.

(2) Demerger reserve

Represents the difference between equity share capital issued and all assets, liabilities and reserves taken over on demerger of the NBFC undertaking of the TMF Business Services Limited (refer note 35).

(3) 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.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

(4) Securities Premium Account

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

(5) 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

(6) General reserve

The Company 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.

(7) Retained earnings

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

(8) Equity instrument through OCI

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

(9) Debt instruments through OCI

It represents the revaluation of debt instruments measured through OCI.

(10) Hedging Reserve through OCI

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

(11) Cost of hedge reserve

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

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

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

	(₹ in lakhs)	
	For the year ended March 31 2024	For the year ended March 31 2023
24. Interest income		
On financial assets measured at amortised Cost		
(a) Interest on loans	2285,92.87	2730,33.23
(b) Interest income from investments	99,18.36	71,78.88
(c) Interest on deposits with banks	38,40.61	61,68.35
(d) Other interest income	9,60.24	20,15.05
On Financial Assets measured at Fair Value through Profit & Loss		
(a) Interest income from investments	-	1,62.98
On financial assets measured at FVOCI		
(a) Interest on loans-FVOCI	1380,72.90	1400,30.18
Total	3813,84.98	4285,88.67

	(₹ in lakhs)	
	For the year ended March 31 2024	For the year ended March 31 2023
25. Fees and commission income		
(a) Commission on insurance agency business (Note 1)	22,16.24	-
(b) Co-sourcing commission	49,98.16	35,20.74
(c) Servicing fees for loan assigned	21,21.63	21,56.01
(d) Other fees & charges	89,64.62	118,64.41
Total	183,00.65	175,41.16

Note 1: Includes commission of ₹ 19,89.52 lakhs & ₹ 2,26.72 lakhs on life insurance and non-life insurance respectively.

	(₹ in lakhs)	
	For the year ended March 31 2024	For the year ended March 31 2023
26. Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss	746,83.92	156,87.73
Total	746,83.92	156,87.73
Fair Value changes:		
(a) Realised	128,26.94	151,54.67
(b) Unrealised	618,56.98	5,33.06
Total	746,83.92	156,87.73

	(₹ in lakhs)	
	For the year ended March 31 2024	For the year ended March 31 2023
27. Other Income		
(a) Support services income	37,24.22	52,87.27
(b) Balances written back	6,13.23	15,52.54
(c) Net gain on derecognition of property, plant and equipment	39.96	25.34
(d) Miscellaneous income	7,15.71	3,35.24
Total	50,93.12	72,00.39

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

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

	(₹ in lakhs)	
	For the year ended March 31 2024	For the year ended March 31 2023
28. Finance Costs		
(a) Interest on borrowings	1856,56.68	1881,90.25
(b) Interest on debt securities	521,73.65	676,52.44
(c) Interest on subordinated liabilities	111,29.25	137,75.02
(d) Interest expense on lease liability	6,77.21	6,48.78
(e) Other finance charges	30.26	1,06.12
Total	2496,67.05	2703,72.61

	(₹ in lakhs)	
	For the year ended March 31 2024	For the year ended March 31 2023
29. Impairment on financial instruments and other assets		
Loans measured amortised cost		
(a) Allowance for loan losses	(760,98.04)	(187,84.59)
(b) Loans written-off (net of recoveries of ₹ 158,19.86 lakhs For the year ended March 31, 2024; ₹ 170,45.72 lakhs For the year ended March 31, 2023)	1749,39.90	2010,64.26
Loans measured fair value through other comprehensive income		
(a) Allowance for loan losses-FVOCI	113,12.05	202,84.81
Other assets		
(a) Allowance for doubtful assets	25,74.40	3,47.77
(b) Balances written-off	75.11	9.02
Total	1128,03.42	2029,21.27

	(₹ in lakhs)	
	For the year ended March 31 2024	For the year ended March 31 2023
30. Employee benefits expenses		
(a) Salaries	458,53.74	347,55.56
(b) Contribution to provident and other funds	25,64.79	19,26.70
(c) Staff welfare expenses	23,12.11	18,75.01
Total	507,30.64	385,57.27

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

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

	(₹ in lakhs)	
31. Other expenses	For the year ended March 31	For the year ended March 31
	2024	2023
(a) Rent, taxes and energy costs	12,40.99	14,74.88
(b) Repairs and maintenance	4,15.73	3,70.04
(c) CSR expense	2,78.56	4,17.53
(d) Communication costs	5,61.81	5,93.24
(e) Printing and stationery	2,48.79	2,65.48
(f) Advertisement and publicity	5,35.26	6,74.62
(g) Director's fees, allowances and expenses	3,08.67	3,53.91
(h) Auditor's fees and expenses (refer Note (i) below)	1,21.80	1,56.66
(i) Legal and professional charges	91,94.31	63,47.57
(j) Insurance	90,39.42	61,40.71
(k) Commission	66,37.25	70,84.24
(l) Service provider fees	174,61.00	242,83.94
(m) Travelling and conveyance	21,06.61	14,38.69
(n) Cenvat credit reversal	51,96.94	65,70.03
(o) Loss on sale of asset held for sale	33,72.41	71,04.53
(p) Others expenses	50,72.06	48,80.17
Total	617,91.61	681,56.24

	(₹ in lakhs)	
(i) Auditors' remuneration (excluding taxes):	For the year ended March 31	For the year ended March 31
	2024	2023
(a) As auditors - statutory audit	95.00	1,05.63
(b) Tax audit	13.00	13.88
(c) For other services	8.55	31.42
(d) Reimbursement of out of pocket expenses	5.25	5.73
Total	1,21.80	1,56.66

(ii) Corporate social responsibility

	(₹ in lakhs)	
Particulars	For the year ended March 31	For the year ended March 31
	2024	2023
Amount required to be spent by the Company	3,53.65	3,42.44
Amount of expenditure incurred	2,53.90	4,79.62
Excess/(Shortfall) at the end of the year	(54.03)	75.09
Total of previous years excess/(shortfall)	45.72*	(62.09)

* Net of refunds pertaining to previous periods.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

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

Reason for shortfall

For FY2024, the Company could not spent entire amount due to project complexities and delay in launch of the project.

Nature of CSR activities

During FY2024, the Company conducted financial literacy & road safety to driver community (Project Akanksha), Mobile vision screening camps for the driver community (Project Suraksha) and program consisting of scholarship provided to 25 adolescent girls (Project Uddan).

Details of related party transactions	For the year ended March 31 2024	For the year ended March 31 2023
i. Contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
ii. Any other, please specify	-	-
Where a provision is made with respect to a liability incurred by entering into a contractual obligation		

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
i. Provision at the beginning of the year	74.05	62.09
ii. Additional provision made during the year	24.66	74.05
iii. Provision reversed during the year	-	-
iv. Provision resulted in expenditure during the year	74.05	62.09
v. Provision at the end of the year	24.66	74.05

Note :

1. At March 31, 2024, unspent amount has been deposited into an escrow account with scheduled bank within due date.
2. At March 31, 2023, the company has made provision of Rs. 74.05 lakhs and the same has been subsequently paid for CSR activities.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

32. Earnings per share

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

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

The following table sets forth, for the years indicated, the computation of earnings per share.

Particulars	(₹ in lakhs)	
	For the year ended March 31 2024	For the year ended March 31 2023
Basic		
Weighted average no. of equity shares outstanding	496,939,176	496,939,176
Net profit/(Loss) attributable to equity share holders (Refer Note 1)	(122,37.26)	(1080,41.55)
Basic earnings per share (₹)	(2.46)	(21.74)
Diluted		
Weighted average no. of equity shares outstanding	496,939,176	496,939,176
Net profit/(Loss) attributable to equity share holders (Refer Note 1)	(122,37.26)	(1080,41.55)
Diluted earnings per share (₹)	(2.46)	(21.74)
Face value per share (₹)	100	100
Note 1 - Calculation of net profit attributable to equity share holders		
Profit after tax as per statement of profit and loss	51,87.86	(939,53.30)
Less - Distribution made to holders of perpetual instruments	(174,25.12)	(140,88.25)
Net profit/ (Loss) attributable to equity share holders	(122,37.26)	(1080,41.55)

33. Segment reporting

The Company is primarily engaged in the business of financing and there are no separate reportable operating segments identified as per the Ind AS 108 - Segment Reporting.

34. Contingent liabilities and commitments :-

1 Contingent liabilities to the extent not provided for:

a) Claims against the Company not acknowledged as debts:

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
In respect of consumer disputes	25,77.55	28,07.83
Total	25,77.55	28,07.83

b) Bank guarantee for which the Company is contingently liable:

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
In respect of guarantees given by banks for Income tax matters	-	99.00

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

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

2 Commitments:

Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 15,27.59 lakhs (as at March 31, 2023: ₹ 80.85 lakhs).

Other commitments

Loan commitment of ₹673,24.61 lakhs (as at March 31, 2023: ₹ 14,82.53 lakhs).

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

35. 1. Disclosures for demerger

The Board of Directors has at its meeting held on October 3, 2022, approved a Scheme of Arrangement ("the Scheme") under Section 230 to Section 232 read with Section 66 of the Act, as amended between the Company and TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) (its fellow subsidiary) and their respective shareholders for Demerger of the Non-Banking Finance related business ("NBFC Undertaking") of the Tata Motors Finance Limited into the Company.

Appointed date for the scheme was April 1, 2023. The Reserve Bank of India has gave its no-objection for the Scheme. The Scheme was approved by Hon'ble National Company Law Tribunal, Mumbai bench on May 12, 2023, for which the final order was received on June 15, 2023. The Company had received all other necessary regulatory approvals and filed the order with Registrar of Companies on June 30, 2023. Accordingly, the scheme came into effect from June 30, 2023.

The difference, between the equity shares issued and all assets and liabilities, has been debited to 'Demerger Reserve.'

Sr. No.	Particulars	Amount (Rs. in lakhs)
		At April 1, 2023
1	Assets taken over	30010,07.99
2	Liabilities taken over	26966,04.72
3	Reserves taken over	2086,54.95
4	Equity shares (32,68,89,441 no. having face value of Rs. 100 each) issued as consideration for demerger	3268,89.44
5	Difference between consideration paid and net assets and reserves taken over (1-2-3-4)	(2311,41.12)
6	Cancellation of inter-company investments	103,70.27
	Demerger reserve (5-6)	(2415,11.39)

Comparative accounting period presented in the financial statements of the Company has been restated for the accounting impact of the transfer, as if the business combination has occurred from the beginning of the comparative period in the financial statements i.e., April 1, 2022.

2 Financial statements

Business Combination

The Board of Directors has, at its meeting held on October 3, 2022, approved a Scheme of Arrangement ("the Scheme") under Section 230 to Section 232 read with Section 66 of the Companies Act, 2013 as amended between the Company and TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) (its fellow subsidiary) and their respective shareholders for demerger of the Non-Banking Finance related business ("NBFC Undertaking") of TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) into the Company.

Appointed date for the scheme is April 1, 2023. The Reserve Bank of India has gave its no-objection for the Scheme. The Scheme was approved by Hon'ble National Company Law Tribunal, Mumbai bench on May 12, 2023, for which the final order was received on June 15, 2023. The Company has received all other necessary regulatory approvals and filed the order with Registrar of Companies on June 30, 2023. Accordingly, the scheme came into effect from June 30, 2023.

Pursuant to the Scheme, the NBFC Undertaking of TMFL has been transferred as a going concern effective April 1, 2023. As NBFC undertaking is transferred from fellow subsidiary, the demerger has been accounted in accordance with 'Pooling of Interest Method' laid down by Appendix C 'Business combination of entities under common control' of Indian Accounting Standard 103 (Ind AS 103), 'Business Combination', notified under the Companies Act, 2013. Accordingly, all assets, liabilities and contingent liabilities have been recorded in the books of account of the Company at their existing carrying amounts and in the same form. The difference, between the equity shares issued and all assets and liabilities, has been debited to 'Demerger Reserve.' Comparative accounting period presented in the financial statements of the Company has been restated for the accounting impact of the transfer, as if the business combination has occurred from the beginning of the comparative period in the financial statements i.e., April 1, 2022.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

Following are the assets and liabilities acquired at April 1, 2023

Particulars	Amount (Rs. in lakhs)
Assets	
Financial assets	
Cash and cash equivalents	3226,96.12
Bank balance other than cash and cash equivalents	61,41.91
Derivative financial instruments	96,99.07
Receivable	
i. Trade receivables	23,96.19
ii. Other receivables	2,37.54
Loans	23756,33.22
Investments	1455,75.99
Other financial assets	779,06.47
	29402,86.51
Non-Financial assets	
Deferred tax assets (net)	220,47.12
Property, plant, and equipment	95,07.22
Other intangible assets	2,24.14
Other non-financial assets	118,79.44
	436,57.92
Assets held for sale	170,63.56
Total assets (A)	30010,07.99
Liabilities and equity	
Financial liabilities	
Derivative financial instruments	14,86.64
Payables	
i. Trade payables	
(a) total outstanding dues of micro enterprises and small enterprises	10,67.67
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	205,75.31
ii. Other payables	
(a) total outstanding dues of micro enterprises and small enterprises	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	120,74.90
Debt securities	6219,10.58
Borrowings (other than debt securities)	16819,21.31
Subordinated liabilities	1311,67.23
Other financial liabilities	775,14.12
	25477,17.76
Non-financial liabilities	
Provisions	78,50.25
Other non-financial liabilities	62,36.71
	140,86.96
Equity	
Instruments entirely equity in nature	1348,00.00
Other equity	2086,54.95
	3434,54.95
Total liabilities and equity (B)	29052,59.67
Net assets (C) = (A) – (B)	957,48.32
Less – Equity shares issued as consideration for purchase of NBFC undertaking	3268,89.44
Cancellation of inter-company investments	103,70.27
Demerger reserve	(2415,11.39)

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

Re-stated balance sheet at March 31, 2023

(Amount Rs. in lakhs)			
Particulars	Before effect of business combination	Effect of business combination	Re-stated balances post effect of business combination
Assets			
Financial assets			
Cash and cash equivalents	896,20.67	3226,96.12	4123,16.79
Bank balance other than cash and cash equivalents	-	61,41.91	61,41.91
Derivative financial instruments	13,40.42	96,99.07	110,39.49
Receivable			
i. Trade receivables	11.65	23,96.19	24,07.84
ii. Other receivables	35,14.58	(32,57.43)	2,57.15
Loans	9772,27.68	23756,33.22	33528,60.90
Investments	614,44.79	1352,05.74	1966,50.53
Other financial assets	130,70.68	779,06.47	909,77.15
	11462,30.47	29264,21.29	40726,51.76
Non-Financial assets			
Current tax assets (net)	66,84.63	-	66,84.63
Deferred tax assets (net)	-	168,83.92	168,83.92
Property, plant, and equipment	2,45.78	95,07.22	97,53.00
Goodwill	180,25.25	-	180,25.25
Other intangible assets	0.39	2,24.14	2,24.53
Other non-financial assets	56,38.53	118,79.44	175,17.97
	305,94.58	384,94.72	690,89.30
Assets held for sale	21,37.67	170,63.56	192,01.23
Total assets (A)	11789,62.72	29819,79.57	41609,42.29
Liabilities and equity			
Financial liabilities			
Derivative financial instruments	-	14,86.64	14,86.64
Payables			
i. Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	2,87.02	10,67.67	13,54.69
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	43,55.46	205,75.31	249,30.77
ii. Other payables			
(a) total outstanding dues of micro enterprises and small enterprises	-	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	18,05.19	85,79.93	103,85.12
Debt securities	1648,33.34	6219,10.58	7867,43.92
Borrowings (other than debt securities)	7330,31.92	16819,21.31	24149,53.23
Subordinated liabilities	-	1311,67.23	1311,67.23
Other financial liabilities	227,61.91	775,14.12	1002,76.03
	9270,74.84	25442,22.79	34712,97.63
Non-financial liabilities			
Provisions	2,50.15	78,50.25	81,00.40
Deferred tax liabilities (Net)	51,63.20	(51,63.20)	-
Other non-financial liabilities	16,48.40	62,36.71	78,85.11
	70,61.75	89,23.76	159,85.51
Equity	1700,49.74	-	4969,39.18
Instruments entirely equity in nature	460,00.00	1348,00.00	1808,00.00
Other equity	287,76.39	2086,54.95	(40,80.03)
	2448,26.13	3434,54.95	6736,59.15
Total liabilities and equity (B)	11789,62.72	28966,01.50	41609,42.29
Net assets (C) = (A) – (B)	-	853,78.07	-
Less – Equity shares issued as consideration for purchase of NBFC		3268,89.44	
Demerger reserve		(2415,11.39)	

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

Re-stated Statement of Profit & Loss for the year ended March 31, 2023

(Amount Rs. in lakhs)

Particulars	Before effect of business combination	Effect of business combination	Re-stated balances post effect of business combination
Revenue from operations			
(a) Interest income	1162,14.41	3123,74.26	4285,88.67
(b) Dividend income	-	3,77.37	3,77.37
(c) Rental income	-	3,30.73	3,30.73
(d) Fees and commission income	26,78.58	148,62.58	175,41.16
(e) Net gain on fair value changes	50,28.40	106,59.33	156,87.73
(f) Net gain on derecognition of financial instruments	84,56.84	123,74.18	208,31.02
Total Revenue from operations	1323,78.23	3509,78.45	4833,56.68
Other income	18,87.42	53,12.97	72,00.39
Total income	1342,65.65	3562,91.42	4905,57.07
Expenses			
(a) Finance costs	678,36.69	2025,35.92	2703,72.61
(b) Impairment on financial instruments and other assets	347,00.12	1682,21.15	2029,21.27
(c) Employee benefits expenses	82,30.97	303,26.30	385,57.27
(d) Depreciation, amortization, and impairment	90.99	23,32.90	24,23.89
(e) Other expenses	131,89.88	549,66.36	681,56.24
Total expenses	1240,48.65	4583,82.62	5824,31.27
Profit before tax	102,17.00	(1020,91.20)	(918,74.20)
Tax expense / (income)			
Current tax	3,54.09	-	3,54.09
Deferred tax	22,28.00	(5,03.00)	1,725.00
Total tax expense	25,82.09	(5,03.00)	20,79.09
Profit for the quarter	76,34.91	(1015,88.20)	(939,53.29)
Other comprehensive income			
A i. Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans	20.57	5,23.17	5,43.74
(b) Equity Instruments through Other Comprehensive Income	-	(3,73.87)	(3,73.87)
ii. Income tax relating to items that will be reclassified to profit	-	94.59	94.59
B i. Items that will be reclassified to profit or loss			
(a) Net Gains/(Losses) on cash flow hedges	86.42	28,52.11	29,38.53
(b) Debt Instruments through Other Comprehensive Income	161,55.49	(83,89.12)	77,66.37
ii. Income tax relating to items that will be reclassified to profit	(40,66.01)	21,11.37	(19,54.64)
Other Comprehensive Income	121,96.47	(31,81.75)	90,14.72
Total comprehensive income for the period	198,31.38	(1047,69.95)	(849,38.57)

36. Related party disclosures

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

A.

Ultimate Holding Company: Tata Motors Limited

Holding Company: TMF Holdings Limited

B. Other Related Parties with whom transactions have taken place during the year end:

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

TMF Business Services Limited (Formerly known as Tata Motors Finance Limited)
 TML Business Services Limited (formerly known as Concorde Motors (India) Limited)
 Tata Technologies Limited
 Tata Precision Industries (India) Limited
 Automobile Corporation of Goa Limited
 Tata Motors Insurance Broking & Advisory Services Limited
 Tata Hitachi Construction Machinery Company Private Limited
 Tata Passenger Electric Mobility Limited
 Tata Motors Passenger Vehicles Limited

(iii) Tata Sons and its subsidiaries and Joint arrangements

Tata Sons Private Limited
 Tata Capital Limited
 Tata Capital Financial Services Limited
 Tata Capital Housing Finance Limited
 Tata Consultancy Services Limited
 Tata International Limited
 Tata AIG General Insurance Company Limited
 Tata Teleservices Limited
 Tata Teleservices (Maharashtra) Limited
 Tata Communications Limited

(iv) Relatives of Key Management personnel

Ms. Sonu Mani - Spouse of Non Executive Director
 (Upto August 31, 2023)

(V) Post Employment Benefit Plans

Tata Motors Finance Limited Employees Gratuity Trust

C. Key Management personnel :

Mr. Alok Chadha - Whole Time Director (Upto June 30, 2023)
 Mr. Samrat Gupta - Managing Director & Chief Executive Officer (w.e.f July 1, 2023)
 Mr. Nasser Munjee - Chairman & Independent Director
 Mrs. Vedika Bhandarkar - Independent Director
 Mrs. Varsha Purandare - Independent Director
 Mr. P. S. Jayakumar - Independent Director (w.e.f July 10, 2023)
 Mr. P. B. Balaji - Non-Executive Director
 Mr. N. V. Sivakumar - Independent Director (w.e.f November 7, 2023)
 Mr. Shyam Mani - Non-Executive Director (Upto August 31, 2023)
 Mr. Dhiman Gupta - Non-Executive Director
 Mr. Uday Uchil - Chief Financial Officer (Upto June 30, 2023)
 Ms. Ridhi Gangar - Chief Financial Officer (w.e.f July 1, 2023)
 Mr. Vinay Lavannis - Company Secretary (w.e.f July 1, 2023)
 Mr. Neeraj Dwivedi - Company Secretary (Upto June 30, 2023)

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

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

(₹ in lakhs)				
Particulars	Ultimate Holding Company	Holding Company	Other Related Parties	Total
a) Transactions during the year				
Recoveries from employee benefit trust	-	-	8,11.60	8,11.60
Interest income	9,90.10	2,69.26	1,95.79	14,55.15
Dividend income	-	-	10,56.79	10,56.79
Inter-Corporate deposits placed	500,00.00	740,00.00	262,00.00	1502,00.00
Inter-Corporate deposits repayment received	500,00.00	700,00.00	262,00.00	1462,00.00
Inter-Corporate deposits accepted	-	300,00.00	-	300,00.00
Inter corporate deposits repaid	-	300,94.84	-	300,94.84
Factoring transactions	2105,77.46	-	404,06.45	2509,83.91
Expenses for other services (including reimbursement of expenses)	1,32.45	-	32,22.67	33,55.12
Interest expenses	-	61,13.42	-	61,13.42
Rent expenses	11.08	4,51.92	-	4,63.00
Other expenses	-	-	7,00.54	7,00.54
Short-term advances	409,22.54	-	643,53.55	1052,76.09
Short-term advances refunded back	409,28.12	-	635,48.99	1044,77.11
Rent Income	-	-	3,63.04	3,63.04
Other Income	39.92	1,08.98	53.33	2,02.23
(₹ in lakhs)				
b) Closing Balance	Ultimate Holding Company	Holding Company	Other Related Parties	Total
Inter-company deposits	-	85,00.00	-	85,00.00
Finance lease receivables	62,09.04	-	31,75.98	93,85.02
Amount receivable - Short-term advances	46,60.10	-	8,04.56	54,64.66
Payables - borrowings, debt securities & subordinates liabilities	-	600,00.00	-	600,00.00
Other receivables	1,02.18	27.59	2,53.33	3,83.10
Other Payables	63.16	31,01.54	13,60.51	45,25.21
(₹ in lakhs)				
c) Maximum balance during the year	Ultimate Holding Company	Holding Company	Other Related Parties	Total
Inter company deposit	-	262,00.00	-	262,00.00
Amount receivable others	92.65	74.61	11,65.24	13,32.50
Amount receivable in respect of security deposit	8.87	-	-	8.87
Incentive receivable	59.16	-	-	59.16
Purchase of receivable	31.28	-	16.62	47.90
Finance lease receivable	61,80.62	-	31,61.67	93,42.29
Accrued Interest income - Finance lease receivable	28.42	-	14.32	42.74
Amount receivable - Short-term advances	84,39.71	-	164,85.17	249,24.88
Amount payable in respect of Subordinate liabilities	-	600,00.00	-	600,00.00
Amount payable others	2,41.90	57,92.12	13,94.48	74,28.50
(₹ in lakhs)				
d) Intra Group Exposure	Ultimate Holding Company	Holding Company	Other Related Parties	Total
Total amount of Intra - group exposures	108,69.14	85,00.00	1105,91.19	1299,60.33
Total amount of top 20 Intra - Group exposures	108,69.14	85,00.00	1105,91.19	1299,60.33
% of Intra group exposures to total exposures of the NBFC on borrowers/customers	0.31%	0.24%	3.16%	3.71%

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

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

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

	(₹ in lakhs)			
Particulars	Ultimate Holding Company	Holding Company	Other Related Parties	Total
a) Transactions during the year				
Income related to financing activities	2,39.68	-	-	2,39.68
Interest income on loans and investments	15,50.65	4,61.00	6.00	20,17.65
Dividend income	-	-	49.59	49.59
Rent Income	-	-	3,58.12	3,58.12
Service charges income	39.00	1,10.64	25,06.60	26,56.24
Expenses for other services (incl. reimbursement of expenses)	2,46.98	-	27,87.05	30,34.03
Interest Expenses	-	83,19.90	-	83,19.90
Rent Expenses (refer note (i))	23.15	4,54.08	-	4,77.23
Other Expenses	75.97	36.97	21,11.94	22,24.88
Recoveries from employee benefit trust	-	-	5,47.11	5,47.11
Contributions paid to employee benefit trust	-	-	5,45.85	5,45.85
Loans and advances recovered	1470,00.00	355,00.00	-	1825,00.00
Loans and advances taken	-	1900,00.00	-	1900,00.00
Issue of share capital (including share premium)	-	700,36.46	-	700,36.46
Loans and advances given	2090,00.00	655,00.00	-	2745,00.00
Loans and advances repaid	620,00.00	1855,00.00	-	2475,00.00
Purchase of fixed assets	9,74.65	-	-	9,74.65
Purchase of receivable	678,47.34	-	14,65.10	693,12.44
Short-term advances	156,52.66	-	34.90	156,87.56
Short-term advances refunded back	109,86.98	-	34.90	110,21.88
Other income	18.30	-	8,04.40	8,22.70
				(₹ in lakhs)
b) Closing Balance	Ultimate Holding Company	Holding Company	Other Related Parties	Total
Receivable - loans and Advances	46,65.68	45,00.00	50.00	92,15.68
Other Receivables	85.49	10.75	1,48.12	2,44.36
Receivable - loans and Advances - Purchase of Receivable	20.00	-	-	20.00
Receivable - loans and Advances - Finance lease	10.31	-	-	10.31
Payables - Borrowings & debt securities	-	900,00.00	-	900,00.00
Other receivable - Factoring	1.29	-	-	1.29
Other Payables	2,20.65	30,54.99	6,79.54	39,55.18
Interest income accrued on loans - Finance lease	0.01	-	-	0.01
c) Maximum balance during the year	Ultimate Holding Company	Holding Company	Other Related Parties	Total
Amount receivable others	50.35	20.76	-	71.11
Amount receivable in respect of security deposit	7.26	-	25,42.47	25,49.73
Incentive receivable	10,54.88	-	-	10,54.88
Other receivable - Factoring	36.13	-	-	36.13
Finance lease receivables	10.32	-	-	10.32
Accrued Interest income - Finance lease	0.01	-	-	0.01
Amount receivable in respect of inter company deposit	-	300,00.00	-	300,00.00
Amount receivable - Short-term advances	53,22.06	-	-	53,22.06
Amount payable in respect of Subordinate liabilities	-	600,00.00	-	600,00.00
Amount payable others	2,10.39	42,14.93	-	44,25.32
Amount payable in respect of inter company deposit	-	800,00.00	9,02.75	809,02.75
d) Intra Group Exposure	Ultimate Holding Company	Holding Company	Other Related Parties	Total
Total amount of Intra - Group exposures	30.32	45,00.00	378,00.66	42,330.98
Total amount of top 20 Intra - Group exposures	30.32	45,00.00	378,00.66	42,330.98
% of Intra group exposures to total exposures of the NBFC on borrowers/customers	0.00%	0.12%	1.01%	1.13%

Note:

- (i) The Company has entered into various lease rent agreement with ultimate holding company as a lessee. These contracts meets the lease definition as per Ind AS 116. Accordingly, the Company has recognized the right of use assets and corresponding lease liability. Rent expenses includes ₹ 11.08 lakhs (₹ 23.15 lakhs for year March 31, 2023) which has been adjusted against the outstanding lease liability in accordance with Ind AS 116.
- (ii) The Company has issued 1,36,67,774 equity shares having face value of Rs. 100 each to its holding company, TMF Holdings Limited during the year ended March 31, 2023 (refer note 23A).

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

(III) Transactions and balances with Key Management personnel and their relatives

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

Key management personnel remuneration

	(₹ in lakhs)	
	For the year ended March 31	For the year ended March 31
	2024	2023
Particulars		
Short term employee benefits (refer notes below)	11,79.70	5,33.58
Total	11,79.70	5,33.58

Notes:

- (i) Expenses towards provision for gratuity and leave encashment which are determined on actuarial basis at an overall Company level are not included in the above information.
- (ii) Includes sitting fees paid to independent directors ₹ 2,88.80 lakhs and ₹ 2,94.30 lakhs for the year ended ended March 31, 2024 and March 31, 2023 respectively.
- (iii) Includes commission paid to independent directors ₹ 2,37.50 and ₹ 2,50.00 lakhs for the year ended ended March 31, 2024 and March 31, 2023 respectively.

37. Employee benefits

a) Defined contribution plans

Superannuation fund

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

The amounts contributed in current year of ₹ 95.44 lakhs (previous year ₹ 1.05 lakhs) has been recognised in the Statement of Profit and Loss.

Gratuity

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

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

a) Changes in defined benefit obligations

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
Defined benefit obligation, beginning of the year	6,71.62	6,03.03
Current service cost	4,75.84	75.93
Interest cost	3,37.12	41.69
Remeasurement (gains) / losses		
Actuarial (gain) / losses arising from change in financial assumptions	60.02	1.36
Actuarial (gain) / losses arising from change in demographic assumptions	(63.12)	(13.69)
Actuarial (gain) / losses arising from change in experience adjustments	3,37.77	(4.88)
Transfer-in on account of demerger	45,16.18	-
Benefits paid from plan assets	(10,11.21)	(31.82)
Defined benefit obligation, end of the year	<u>53,24.22</u>	<u>6,71.62</u>

b) Changes in plan assets

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
Fair value of plan assets, beginning of the year	6,14.03	5,40.39
Interest income on plan assets	3,39.12	39.46
Remeasurement gains / (losses)		-
Return on plan assets, (excluding amount included in net interest expense)	0.18	3.36
Transfer-in on account of demerger	45,72.73	-
Employer's contribution	57.59	62.64
Benefits paid	(10,11.21)	(31.82)
Fair value of plan assets, end of the year	<u>45,72.44</u>	<u>6,14.03</u>

c) Amount recognised in balance sheet consists of:

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
Present value of defined benefit obligation	(53,24.22)	(6,71.62)
Fair value of plan assets	45,72.44	6,14.03
Net Assets/ (Liability)	<u>(7,51.78)</u>	<u>(57.59)</u>

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

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
Current Service Cost	4,75.84	75.93
Interest on defined benefit obligations (Net)	(2.00)	2.23
Net Charge to the Statement of Profit and Loss	<u>4,73.84</u>	<u>78.16</u>

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

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in interest expense/(income)	(0.18)	(3.36)
Actuarial (gain) / losses arising from change in demographic assumptions	(63.12)	(13.69)
Actuarial (gain) / losses arising from change in financial assumptions	60.02	1.36
Actuarial (gain) / losses arising from change in experience adjustments	3,37.77	(4.88)
Net impact on the other comprehensive income before tax	<u>3,34.49</u>	<u>(20.57)</u>

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

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

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

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
Asset Category		
- Government securities (quoted)	-	-
- Debt instruments (quoted)	-	-
- Debt instruments (unquoted)	-	-
- Equity shares (quoted)	-	-
- Insurer Managed Funds (unquoted)	100%	100%

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

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
Discount rate	7.00%	7.20%
Expected return on plan assets	7.20%	7.10%
Salary Escalation rate		8% for first year, 7% thereafter
Mortality Tables		Indian Assured Lives mortality (2006-08) Ult

- (a) Discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.
- (b) The estimates of future salary increases, considered in actuarial valuation, take into account the inflation, seniority, promotion and other relevant factors.

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

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
Within next 12 months (next annual reporting period)	5,83.19	1,05.54
Between 1 and 5 years	31,44.22	3,09.01
Between 5 and 9 years	42,26.74	5,83.06

i) Quantitative sensitivity analysis for significant assumptions:

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
100 bps increase in discount rate	(2,88.10)	(38.71)
100 bps decrease in discount rate	3,19.93	43.30
100 bps increase in salary escalation rate	3,15.99	42.85
100 bps decrease in salary escalation rate	(2,89.45)	(38.97)

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	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
The weighted average duration of the defined benefit obligation	5.81 years	7.87 years

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

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
Expected contribution to the funded gratuity plans in next financial year.		52,10.71

l) Risk Exposure

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

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

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

Note : Comparative years amounts presented in employee benefits notes are not restated on account of demerger and are as published in previous year's financial statement.

38. Fair value measurements

Financial Instruments by categories

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

(₹ in lakhs)

Financial assets	Amortised cost	FVTOCI	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Total carrying value
(a) Investments-other than Subsidiaries	1247,64.91	168,97.57	1112,83.22	-	-	2529,45.70
(b) Loans	14360,54.02	16749,49.88	-	-	-	31110,03.90
(c) Trade & other receivables	53,84.20	-	-	-	-	53,84.20
(d) Cash and cash equivalents	3001,26.60	-	-	-	-	3001,26.60
(e) Other bank balances	3,43.42	-	-	-	-	3,43.42
(f) Other financial assets	1087,06.98	-	-	-	-	1087,06.98
(g) Derivative financial instruments	-	-	-	102,44.23	-	102,44.23
Total	19753,80.13	16918,47.45	1112,83.22	102,44.23	-	37887,55.03

(₹ in lakhs)

Financial liabilities	Amortised Cost	FVTOCI	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Total carrying value
(a) Borrowings	25348,39.28	-	-	-	-	25348,39.28
(b) Debt securities	3829,90.00	-	-	-	-	3829,90.00
(c) Trade & other payables	402,84.53	-	-	-	-	402,84.53
(d) Subordinated liabilities	1082,86.07	-	-	-	-	1082,86.07
(e) Derivative financial instruments	-	-	-	4,91.29	-	4,91.29
(f) Other financial liabilities	1155,22.81	-	-	-	-	1155,22.81
Total	31819,22.69	-	-	4,91.29	-	31824,13.98

Fair value hierarchy

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

(₹ in lakhs)

Particulars	As at March 31,2024					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value						
(a) Investments	1281,80.79	1281,80.79	423,24.56	-	858,56.23	1281,80.79
(b) Derivative instruments	102,44.23	102,44.23	-	102,44.23	-	102,44.23
(c) Loans	16749,49.88	16749,49.88	-	-	16749,49.88	16749,49.88
Total	18133,74.90	18133,74.90	423,24.56	102,44.23	17608,06.11	18133,74.90

(₹ in lakhs)

Particulars	As at March 31,2024					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial assets measured at amortised cost for which fair value is disclosed						
(a) Loans	14360,54.02	14379,68.82	-	-	14379,68.82	14379,68.82
Total	14360,54.02	14379,68.82	-	-	14379,68.82	14379,68.82

(₹ in lakhs)

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

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

(₹ in lakhs)

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						
(a) Debt securities	2757,19.43	2751,16.23	-	2751,16.23	-	2751,16.23
(b) Subordinated liabilities	1082,86.07	1129,73.07	-	1129,73.07	-	1129,73.07
Total	3840,05.50	3880,89.30	-	3880,89.30	-	3880,89.30

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

(₹ in lakhs)

Financial assets	Amortised cost	FVTOCI	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Total carrying value
(a) Investments-other than Subsidiaries	1233,14.93	129,96.52	602,09.33	-	-	1965,20.78
(b) Loans	16555,76.00	16972,84.90	-	-	-	33528,60.90
(c) Trade & other receivables	26,64.99	-	-	-	-	26,64.99
(d) Cash and cash equivalents	4123,16.79	-	-	-	-	4123,16.79
(e) Other bank balances	61,41.91	-	-	-	-	61,41.91
(f) Other financial assets	909,77.15	-	-	-	-	909,77.15
(g) Derivative financial instruments	-	-	-	13,40.42	96,99.07	110,39.49
Total	22909,91.77	17102,81.42	602,09.33	13,40.42	96,99.07	40725,22.01

(₹ in lakhs)

Financial liabilities	Amortised Cost	FVTOCI	FVTPL	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Total carrying value
(a) Borrowings	24149,53.23	-	-	-	-	24149,53.23
(b) Debt securities	7867,43.92	-	-	-	-	7867,43.92
(c) Trade & other payables	366,70.58	-	-	-	-	366,70.58
(d) Subordinated liabilities	1311,67.23	-	-	-	-	1311,67.23
(e) Derivative financial instruments	-	-	-	-	14,86.64	14,86.64
(f) Other financial liabilities	1002,76.03	-	-	-	-	1002,76.03
Total	34698,10.99	-	-	-	14,86.64	34712,97.63

Fair value hierarchy

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

(₹ in lakhs)

Particulars	As at March 31, 2023					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value						
(a) Investments	732,05.85	732,05.85	494,00.87	-	238,04.98	732,05.85
(b) Derivative instruments	110,39.49	110,39.49	-	110,39.49	-	110,39.49
(c) Loans	16972,84.90	16972,84.90	-	-	16972,84.90	16972,84.90
Total	17815,30.24	17815,30.24	494,00.87	110,39.49	17210,89.88	17815,30.24

(₹ in lakhs)

Particulars	As at March 31, 2023					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial assets measured at amortised cost for which fair value is disclosed						
(a) Loans	16555,76.00	16606,41.40	-	-	16606,41.40	16606,41.40
Total	16555,76.00	16606,41.40	-	-	16606,41.40	16606,41.40

(₹ in lakhs)

Particulars	As at March 31, 2023					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value						
(a) Derivative instruments	14,86.64	14,86.64	-	1,486.64	-	14,86.64
Total	14,86.64	14,86.64	-	14,86.64	-	14,86.64

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

(₹ in lakhs)

Particulars	As at March 31, 2023					
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at amortised cost for which fair value is disclosed						
(a) Debt securities	4265,36.09	4212,15.02	-	421,215.02	-	4212,15.02
(b) Subordinated liabilities	1311,67.23	1335,69.85	-	133,569.85	-	1335,69.85
Total	5577,03.32	5547,84.87	-	5547,84.87	-	5547,84.87

1. 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.

2. 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 Company's over-the-counter (OTC) derivative contracts.

3. 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.

Valuation technique used to determine fair value of financial instruments

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

(b) The fair value of loans arising from financing activities has been estimated by discounting expected cash flows using rates at which loans of similar credit quality and maturity would be made and internal assumptions such as expected credit losses and estimated collateral value as at March 31, 2024 and March 31, 2023. Since significant unobservable inputs are applied in measuring the fair value of loans arising from finance activities are classified in Level 3.

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

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

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

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

(f) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the 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.

Reconciliation of level 3 financial asset measured at fair value is as below :

(₹ in lakhs)

Particulars	For the period year ended March 31	For the year ended March 31
	2024	2023
Balance at the beginning of the year	17210,89.88	14310,17.85
Additions during the year	4116,74.37	6768,77.83
Mark to Market (loss)/gain recognized in OCI	(177,22.99)	(113,43.93)
Mark to Market gain recognized in P&L	610,26.88	6,41.47
Realised during the year	(4152,62.04)	(3761,03.34)
Balance at the end of the year	17608,06.10	17210,89.88

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

39. Company as a Lessee

The Company 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 Company 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 10 years. Leases of rented yards generally have a lease term ranging from 2 years to 7 years.

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

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

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Right-of-use assets	Other financial liabilities	Right-of-use assets	Other financial liabilities
	Buildings	Lease Liabilities	Buildings	Lease Liabilities
Balance at the beginning of the year	75,29.78	83,89.28	66,17.53	72,09.09
Additions	15,38.41	15,38.41	26,37.48	26,37.48
Deletions	(2,88.92)	(3,32.08)	(1,73.75)	(56.62)
Depreciation expense	(16,84.26)	-	(15,51.48)	-
Interest expense	-	6,77.21	-	6,48.78
Repayments	-	(21,05.08)	-	(20,49.45)
Balanced at the end of the year	70,95.01	81,67.74	75,29.78	83,89.28

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

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

Set out below, are the amounts recognised in profit and loss	For the year ended	
	March 31	March 31
	2024	2023
Depreciation expense of right-of-use assets	16,84.26	15,51.48
Interest expense on lease liabilities	6,77.21	6,48.78
Rent expense- Short term leases	5,13.00	6,57.42
Leases of low value assets	3.68	3.68
Variable lease payments (not being linked to any index or rate)	-	-

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

40. Finance Lease receivables

The Company has entered into lease arrangements as a lessor that are considered to be finance leases. The Company leases vehicles and as it transfer's substantially all of the risks and rewards of ownership of the assets they are classified as finance leases. The lease term for these leases ranges from 2 to 7 years. The maturity analysis of lease receivables, including the undiscounted lease payments to be received are as follows:

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

Further, Company has recognized following amounts in statement of profit and loss during the year

Particulars	(₹ in lakhs)	
	For the year ended March 31 2024	For the year ended March 31 2023
Finance income on the net investment in the lease	13,90.28	8,31.04

41 Reconciliation of movement in borrowings to cash flows from financing activities

Particulars	(₹ in lakhs)				
	As at April 01, 2023	Cash flows (net)	Exchange difference	Amortisation / EIR adjustments	As at March 31, 2024
Debt securities	7867,43.92	(4383,75.94)	-	346,22.02	3829,90.00
	24149,53.23	1187,61.83	(1,58.30)	12,82.52	25348,39.28
Borrowings (Other than debt securities)					
Subordinated liabilities	1311,67.23	(230,10.00)	-	1,28.84	1082,86.07
Total	33328,64.38	(3426,24.11)	(1,58.30)	360,33.38	30261,15.35

Note: Debt securities includes commercial papers and zero coupon debentures for which the discounting charges paid is ₹ 340,20.24 lakhs on the repayment date is shown in the finance cost paid in cash flow statement.

Particulars	(₹ in lakhs)				
	As at April 01, 2022	Cash flows (net)	Exchange difference	Amortisation / EIR adjustments	As at March 31, 2023
Debt securities	9935,44.58	(2126,04.64)	-	58,03.98	7867,43.92
	25334,12.88	(1080,87.48)	16,75.83	(120,48.00)	24149,53.23
Borrowings (Other than debt securities)					
Subordinated liabilities	1500,55.82	(190,40.00)	-	1,51.41	1311,67.23
Total	36770,13.28	(3397,32.12)	16,75.83	(60,92.61)	33328,64.38

Note: Debt securities includes commercial papers and zero coupon debentures for which the discounting charges paid is ₹ 244,84.45 lakhs on the repayment date is shown in the finance cost paid in cash flow statement.

42. Maturity Analysis of Assets and Liabilities

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

(₹ in lakhs)						
Particulars	As at March 31, 2024			As at March 31, 2023		
	Current	Non current	Total	Current	Non current	Total
I ASSETS						
1 Financial assets						
(a) Cash and cash equivalents	3001,26.60	-	3001,26.60	4123,16.79	-	4123,16.79
(b) Bank Balance other than cash and cash equivalents	3,43.42	-	3,43.42	8,59.49	52,82.42	61,41.91
(c) Derivative financial instruments	96,17.78	6,26.45	102,44.23	13,40.42	96,99.07	110,39.49
(d) Receivables						
i. Trade receivables	33,05.68	-	33,05.68	24,07.84	-	24,07.84
ii. Other receivables	20,78.52	-	20,78.52	2,57.15	-	2,57.15
(e) Loans	24597,00.22	6513,03.68	31110,03.90	25405,26.49	8123,34.41	33528,60.90
(f) Investments	481,31.77	2049,43.68	2530,75.45	571,96.24	1394,54.29	1966,50.53
(g) Other financial assets	1077,43.32	9,63.66	1087,06.98	879,52.40	30,24.75	909,77.15
2 Non-financial assets						
(a) Current tax assets (net)	-	112,37.89	112,37.89	-	66,84.63	66,84.63
(b) Deferred tax assets (net)	-	11,63.78	11,63.78	-	168,83.92	168,83.92
(c) Property, plant and equipment	-	112,08.44	112,08.44	-	97,53.00	97,53.00
(d) Goodwill	-	180,25.25	180,25.25	-	180,25.25	180,25.25
(e) Other intangible assets	-	7,23.17	7,23.17	-	2,24.53	2,24.53
(f) Other non-financial assets	172,12.35	17,15.94	189,28.29	156,08.46	19,09.51	175,17.97
3 Assets held for sale	65,46.18	-	65,46.18	192,01.23	-	192,01.23
Total assets	29548,05.84	9019,11.94	38567,17.78	31376,66.51	10232,75.78	41609,42.29
II LIABILITIES						
1 Financial liabilities						
(a) Derivative financial instruments	19,51.51	(14,60.22)	4,91.29	-	14,86.64	14,86.64
(b) Payables						
i. Trade payables	292,14.13	-	292,14.13	262,85.46	-	262,85.46
ii. Other payables	110,70.40	-	110,70.40	103,85.12	-	103,85.12
(c) Debt securities	3034,80.32	795,09.68	3829,90.00	5200,64.54	2666,79.38	7867,43.92
(d) Borrowings (Other than debt securities)	12386,82.71	12961,56.57	25348,39.28	10984,70.76	13164,82.47	24149,53.23
(e) Subordinated liabilities	234,26.85	848,59.22	1082,86.07	229,80.77	1081,86.46	1311,67.23
(f) Other financial liabilities	1066,83.89	88,38.92	1155,22.81	908,42.00	94,34.03	1002,76.03
2 Non-financial liabilities						
(a) Current tax liabilities (net)	19.43	-	19.43	-	-	-
(b) Provisions	3,24.94	95,57.48	98,82.42	2,21.25	78,79.15	81,00.40
(c) Other non-financial liabilities	69,77.78	-	69,77.78	78,85.10	-	78,85.10
Total liabilities	17218,31.96	14774,61.65	31992,93.61	17771,35.00	17101,48.13	34872,83.13
Net	12329,73.88	(5755,49.71)	6574,24.17	13605,31.51	(6868,72.35)	6736,59.16

43. 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.

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

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

Exposure to Credit Risk

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

Financial assets that are neither past due or impaired

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

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

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

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding the derivative contracts, trade receivables and other financial assets are neither impaired nor past due, there were no indications as at March 31, 2024, that defaults in payment obligations will occur.

i) Loans - Credit quality of financial assets and impairment loss

Loans originate from financing activities to customers. 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. Credit risk is monitored by the credit risk department of the Company independent Risk department/function who have the responsibility for reviewing and managing credit risk.

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

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 Company is in retail lending business on pan India basis. Vehicle Finance (consisting of new Commercial Vehicles, Passenger Vehicles) is lending against security. Hypothecation endorsement is made in favour of the Company 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 Vehicle Finance like Heavy Commercial Vehicles, Light Commercial Vehicles, Car and Multi Utility Vehicles, and Small Commercial Vehicles, are well diversified into sub product mix to mitigate concentration risk.

The maximum credit exposure to any single customer from the financing business as of March 31, 2024 was ₹ 164,60.84 lakhs lakhs (March 31, 2023: ₹ 303,92.92 lakhs).

The Company 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 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 factor. The Company's impairment assessment and measurement approach is set out in Note 3(x) - Accounting policies.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

The following table provides information about the credit quality of financial assets and impairment loss
The ageing of loans as of balance sheet date is given below. The ageing analysis have been considered from the due date.

(₹ in lakhs)

Particulars	Stage-1		Stage-2		Stage-3		Total	
	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss allowance	Loans (Gross)	Impairment loss allowance
As at 1st April 2023	29580,44.47	208,75.67	2607,85.53	151,05.18	3281,78.85	1581,67.08	35470,08.83	1941,47.93
Transfers during the year								
Transfer to Stage-1	620,00.60	53,20.31	(556,49.56)	(29,32.88)	(63,51.04)	(23,87.43)	-	-
Transfer to Stage-2	(1609,02.50)	(19,49.46)	1682,53.68	36,36.82	(73,51.19)	(16,87.36)	-	-
Transfer to Stage-3	(663,93.76)	(6,53.08)	(449,98.94)	(23,20.45)	1113,92.70	29,73.53	-	-
	(1652,95.66)	27,17.77	676,05.18	(16,16.51)	976,90.47	(11,01.26)	-	-
Impact of change in credit risk on account of stage movement	-	(61,97.82)	-	140,66.26	-	1251,02.45	-	1329,70.89
Changes in Opening Credit Exposure	(38453,41.25)	(26,70.95)	(1534,03.23)	(43,73.73)	(563,98.50)	(189,84.77)	(40551,42.98)	(260,29.45)
New Credit Exposure during the year (net of Amount Written off During the year)	39099,96.30	66,77.85	161,44.47	14,24.07	29,50.60	7,62.03	39290,91.36	88,63.95
	-	-	-	-	(1749,39.89)	(1749,39.89)	(1749,39.89)	(1749,39.89)
As at 31st March 2024	28574,03.86	214,02.52	1911,31.95	246,05.27	1974,81.53	890,05.64	32460,17.32	1350,13.43

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 1st April 2022	27938,42.99	99,86.99	6545,31.96	200,89.77	3676,32.20	1570,43.92	38160,07.15	1871,20.68
Transfers during the year								
Transfer to Stage-1	1980,37.62	116,77.48	(1773,57.75)	(43,93.87)	(206,79.86)	(72,83.61)	0.00	-
Transfer to Stage-2	(1754,34.35)	(8,72.09)	1796,57.05	24,85.76	(42,22.69)	(16,13.68)	(0.00)	(0.00)
Transfer to Stage-3	(502,24.93)	(2,86.87)	(1204,33.48)	(41,59.54)	1706,58.41	44,46.41	-	-
	(276,21.66)	105,18.52	(1181,34.18)	(60,67.65)	1457,55.86	(44,50.88)	(0.00)	(0.00)
Impact of change in credit risk on account of stage movement	-	(81,91.96)	-	73,75.22	-	2087,11.09	-	2078,94.35
Changes in Opening Credit Exposure	(29319,59.06)	3,47.39	(2985,09.93)	(75,74.99)	108,56.41	(22,75.60)	(32196,12.58)	(95,03.20)
New Credit Exposure during the year (net of repayments)	31237,82.20	82,14.73	228,97.68	12,82.83	71,90.02	23,94.19	31538,69.90	118,91.74
Amount Written off During the year	-	-	-	-	(2032,55.64)	(2032,55.64)	(2032,55.64)	(2032,55.64)
As at 31st March 2023	29580,44.47	208,75.67	2607,85.53	151,05.18	3281,78.85	1581,67.08	35470,08.83	1941,47.93

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

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

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

(₹ in lakhs)						
Particulars	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total contractual cash flows
Non derivatives financial liabilities						
Borrowings	25348,39.28	13788,27.45	5517,61.89	9112,92.98	-	28418,82.32
Trade and other payables	402,84.53	402,84.53	-	-	-	402,84.53
Debt securities	3829,90.00	3134,86.74	-	966,31.64	-	4101,18.38
Subordinated liabilities	1082,86.07	379,68.98	77,32.50	702,04.74	304,08.56	1463,14.78
Lease liabilities	81,67.74	22,27.14	20,71.83	42,81.13	15,55.90	101,36.00
Other financial liabilities (other than lease liabilities)	1073,55.07	1071,47.91	32.85	1,74.31	-	1073,55.07
Derivatives						
Derivative contracts	4,91.29	-	-	4,91.29	-	4,91.29
Total	31824,13.98	18799,42.75	5615,99.07	10830,76.09	319,64.46	35565,82.37

Contractual maturities of borrowings includes cash flows relating to collateralized debt obligations. This represents the amount received against the transfer of loans arising from financing activities in securitisation transactions and/or direct assignments, which do not qualify for derecognition. The liability of the Company in such cases is limited to the extent of credit enhancements provided. The contractual maturities of such collateralized debt obligations are as follows:

(₹ in lakhs)						
Particulars	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total contractual cash flows
Collateralized debt obligations	-	-	-	-	-	-

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

(₹ in lakhs)						
Particulars	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total contractual cash flows
Non derivatives						
Borrowings	24149,53.23	12504,33.71	8426,17.85	6092,89.27	-	27023,40.83
Trade and other payables	366,70.58	366,70.58	-	-	-	366,70.58
Debt securities	7867,43.92	5370,22.61	2033,96.04	966,31.64	-	8370,50.29
Subordinated liabilities	1311,67.23	339,97.99	379,68.98	480,18.13	603,27.67	1803,12.77
Lease liabilities	83,89.28	20,07.18	19,84.41	44,88.57	21,55.33	106,35.49
Other financial liabilities	1071,33.53	1061,68.28	1,75.01	7,90.24	-	1071,33.53
Derivatives						
Derivative contracts	14,86.64	-	14,86.64	-	-	14,86.64
Total	34865,44.41	19663,00.35	10876,28.93	7592,17.85	624,83.00	38756,30.13

Contractual maturities of borrowings includes cash flows relating to collateralized debt obligations. This represents the amount received against the transfer of loans arising from financing activities in securitisation transactions and/or direct assignments, which do not qualify for derecognition. The liability of the Company in such cases is limited to the extent of credit enhancements provided. The contractual maturities of such collateralized debt obligations are as follows:

(₹ in lakhs)						
Particulars	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total contractual cash flows
Collateralized debt obligations	74,87.24	74,87.24	-	-	-	74,87.24

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

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

(i) 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 Statement of Profit and Loss and equity, where assets/liabilities are denominated in a currency other than the functional currency of the Company.

The Company's foreign currency exposure arises mainly from variable rate foreign currency borrowings denominated in USD. The Company, 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 Company negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Company policy is to fully hedge its foreign currency borrowings at the time of drawdown till the repayment.

No sensitivity analysis is prepared as the Company does not expect any material effect on the Company'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.

(ii) 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 obligations with floating/variable interest rates.

The Company borrows through various instruments which has interest rate reset clause which is exposed to interest rate risk. As at the end of reporting period, the Company had following variable/floating interest rate borrowings:

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Non derivative Financial Liabilities		
Variable rate borrowings*	21650,27.78	22322,79.43

* The above excludes the foreign currency denominated floating interest rate borrowings, the Company 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

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 ₹ 216,50.28 lakhs and ₹ 223,22.79 lakhs on income for the year ended March 31, 2024 and March 31, 2023 respectively.

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

(iii) Equity price risk

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

The fair value of some of the Group's investments measured at fair value through other comprehensive income and fair value through profit and loss exposes the Group to equity price risks. These investments are subject to changes in the market price of securities. The fair value of Group's investment in equity securities as at March 31, 2024 and March 31, 2023 was ₹ 972,98.03 lakhs and ₹ 310,44.80 lakhs respectively.

Particulars	(₹ in lakhs)			
	Impact on profit for the year		Impact on other components of equity	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Equity price Sensitivity				
Increase in equity price by 10 %*	79,77.37	18,04.83	17,52.44	12,99.65
Decrease in equity price by 10 %*	(79,77.37)	(18,04.83)	(17,52.44)	(12,99.65)
(Note: The impact is indicated on equity before consequential tax impact, if any).				

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company. The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, convertible and non-convertible debt securities, and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

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

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

Total debt includes all long and short-term borrowings as disclosed in notes 17 to 19 to the financial statements. Equity comprises all components excluding (profit)/loss on cash flow hedges.

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

Particulars *	As at March 31	As at March 31
	2024	2023 **
CRAR (%)	20.92%	23.16%
CRAR - Tier I capital (%)	12.71%	19.90%
CRAR - Tier II capital (%)	8.21%	3.26%

*These are computed in accordance with the guidelines issued by RBI.

** These ratios are as reported to Reserve Bank of India for March 2023 and are not re-stated to give impact of de-merger.

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

44. Transfer of financial assets

The Company transfers loans arising from financing activities through securitisation and assignment transactions. In most of these transactions, the Company also provides credit enhancements to the transferee.

Because of the existence of credit enhancements in such transactions, the Company continues to have the obligation to pay to the transferee, limited to the extent of credit enhancement, even if it does not collect the equivalent amounts from the original asset and continues to retain substantially all risks and rewards associated with the receivables, and hence, such transfer does not meet the derecognition criteria resulting into the transfer not being recorded as sale. Consequently, the proceeds received from the transfer are recorded as collateralized debt obligation.

The carrying amount of loans arising from financing activities along with the associated liabilities is as follows:

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

Net of provision of Nil and ₹ 2,60.36 lakhs as at March 31, 2024, and March 31, 2023 respectively.

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

46 Asset Held for sale

The Company has acquired underlying collateral in satisfaction of its receivable from certain borrowers and has classified those assets as held for sale. As at March 31, 2024 assets held for sale amounted to ₹ 59,19.36 lakhs (as at March 31, 2023 ₹192,01.23 lakhs). The Company expects to dispose off these assets in open market within next 1 year.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

47 Additional disclosures given in terms of Notification dated March 24, 2021 issued by Ministry of Corporate affairs.

a. Title deed of immoveable properties

The title deed of properties are held in the name of Company. Hence, other disclosure requirements are not applicable.

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

Particulars	For the Year ended March 31, 2024			For the Year ended March 31, 2023		
	Amount of loan or advance in the nature of loan outstanding	Percentage to total Loans and Advances in the nature of loans	to the	Amount of loan or advance in the nature of loan outstanding	Percentage to total Loans and Advances in the nature of loans	to the
Promoter	85,00.00		0.26%	45,00.00		0.13%
Directors	-		-	-		-
KMPs	-		-	-		-
Related parties	54,64.66		0.17%	47,15.68		0.13%

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

d. There is no proceedings initiated/pending against the Company for benami property.

e. Borrowings from banks or financial institutions

The Company borrows from banks or financial institutions on the basis of security of current assets. Quarterly returns filed by the Company are in agreement in the books of accounts.

f. Willful defaulter

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

g. Transactions with struck off companies

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at March 31, 2024

Name of struck off Company	Nature of transactions with struck off Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Progressive Logistics Private Limited		-	23.00	
Kalptaru Publishers Private Limited		-	-	
Divino Foods International Private Limited		-	1.08	
Thanvee Sree Foods Private Limited		5.80	0.00	
Atadco Trading Private Limited		6.45	0.35	
Vir Cargo Express Private Limited		-	0.81	
Rainbow Smart Solution Private Limited		-	(0.01)	
Game of Shakes Private Limited	Financing transaction	-	0.00	Borrower
Techtilt Info Solutions Private Limited		-	3.72	
Vintage Motors Private Limited		-	0.00	
S R Cabs Private Limited		2,75.45	0.24	
Trueblue Tours Taxi Private Limited		-	8.25	
Elv Supply Chain Solutions (Opc) Private Limited		-	0.00	
Zomax Foods Private Limited		-	3.64	
Kathi Xpress Hospitality Private Limited		-	0.11	
Him Motors Private Limited		-	4.93	
Knr Marketing Private Limited		(0.00)	(0.00)	
Om Sai Cars India Private Limited		-	0.04	
Vistar Motors Goa Private Limited		-	0.34	
Balasanka Cars Private Limited		-	(0.03)	
Calicut Automobiles Private Limited	Other Services	-	0.02	Vendor/customer
Repro Digital Private Limited		-	(0.02)	
Parshav Automobiles India Private Limited		(0.16)	20.22	
Praseem Motors Private Limited		-	0.01	
Manan Motors Gujarat Private Limited		-	0.11	
Sarthak Financial Services Private Limited		-	0.02	
		2,87.54	66.83	

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at March 31, 2023

Name of struck off Company	Nature of transactions with struck off Company	Amount of transactions	Balance outstanding	Relationship with the Struck off company
Progressive Logistics Private Limited		9,00.00	5.57	
Divino Foods International Private Limited		-	0.36	
Atadco Trading Private Limited		18.29	0.20	
Vir Cargo Express Private Limited		6.45	0.81	
Rainbow Smart Solution Private Limited		0.80	(0.01)	
Game Of Shakes Private Limited		-	0.35	
Techtilt Info Solutions Private Limited	Financing transaction	-	2.48	Borrower
Vintage Motors Private Limited		-	(0.00)	
S R Cabs Private Limited		3.85	0.62	
Trueblue Tours Taxi Private Limited		2,10.56	2.79	
Elv Supply Chain Solutions (Opc) Private Limited		-	0.00	
Zomax Foods Private Limited		-	3.64	
Kathi Xpress Hospitality Private Limited		-	0.11	
Him Motors Private Limited		-	4.93	
Knr Marketing Private Limited		-	0.00	
Om Sai Cars India Private Limited		-	0.02	
Vistar Motors Goa Private Limited		-	0.34	
Balasanka Cars Private Limited		-	(1.82)	
Calicut Automobiles Private Limited		-	0.02	
Repro Digital Private Limited	Other Services	-	(0.02)	Vendor/customer
Parshav Automobiles India Private Limited		(0.16)	20.22	
Triveni Restaurant Private Limited		(0.18)	(0.14)	
Praseem Motors Private Limited		-	0.01	
Manan Motors Gujarat Private Limited		-	0.11	
Sarthak Financial Services Private Limited		-	0.02	
		11,39.61	40.61	

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

At March 31, 2024 and at March 31, 2023, there is no charges or satisfaction with charge yet to be registered with Registrar of Companies beyond the statutory period.

i. Compliance with number of layers of companies

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

j. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.

k. 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.

l. There are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year ended March 31, 2024 and March 31, 2023 in the tax assessments under the Income Tax Act, 1961.

m. The Company has not traded/invested in crypto currency or virtual currency for the year ended March 31, 2024 and March 31, 2023.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

Additional disclosures given in terms of the Non Banking Financial Companies - Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 (as amended)

The Board of Directors has, at its meeting held on October 3, 2022, approved a Scheme of Arrangement ("the Scheme") under Section 230 to Section 232 read with Section 66 of the Companies Act, 2013 as amended between the Company and TMF Business Services Limited (Formerly Known as Tata Motors Finance Limited) (its fellow subsidiary) and their respective shareholders for merger of the Non-banking Finance related business ("NBFC Undertaking") of TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) into the Company. Please refer note no 35 for details.

Comparative accounting period presented in the financial statements of the Company has been restated for the accounting impact of the transfer, as if the business combination has occurred from the beginning of the comparative period in the financial statements i.e., April 1, 2022. However, disclosure and information which are as required by Reserve Bank of India to disclose in financial statements or which are filed as part of regulatory reportings to Reserve bank of India are not restated and are as published in previous year's financial statements.

48A. Asset Liability Maturity Pattern of certain items of assets and liabilities

Particulars	Period	1 to 7 days	8 to 14 days	15 days to 30 / 31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 month & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
1 Deposits	March 31, 2024	1483,54.90	948,71.06	-	14.76	-	-	-	-	-	-	2432,40.72
	March 31, 2023	100,00.00	600,00.00	-	-	-	-	-	-	-	-	700,00.00
2 Advances	March 31, 2024	812,93.02	148,21.43	1218,94.43	1972,39.55	1287,68.20	2316,19.30	5011,77.04	13150,02.84	3592,13.89	1599,74.20	31110,03.90
	March 31, 2023	246,99.09	117,88.87	604,11.53	1611,08.21	389,54.90	609,06.73	1489,68.70	3461,65.53	853,50.57	388,73.57	9772,27.70
3 Investments	March 31, 2024	450,30.58	-	-	9,86.60	6,09.15	5,37.13	-	-	-	2059,11.99	2530,75.45
	March 31, 2023	225,07.67	-	-	-	-	-	-	-	-	383,55.25	608,62.92
4 Borrowings	March 31, 2024	25,00.00	-	339,37.62	1467,70.71	2563,09.46	1936,90.16	8539,73.77	8907,33.76	3702,10.73	299,43.79	27780,70.00
	March 31, 2023	-	-	56,33.68	288,63.17	111,31.71	626,88.19	2811,07.88	4139,22.31	822,11.14	-	8855,58.08
5 Foreign Currency liabilities	March 31, 2024	-	-	-	-	-	-	832,72.05	1647,73.30	-	-	2480,45.35
	March 31, 2023	-	-	-	-	-	123,07.18	-	-	-	-	123,07.18

Notes:

- 1 Borrowings includes cash credit, working capital demand loan, Term Loans, Inter-Corporate Deposits, collateralised debt obligation, commercial papers and non-convertible debentures.
- 2 Borrowings includes Commercial Papers which are issued at discount and Zero Coupon Bonds Includes Premium payable on redemption.
- 3 Foreign Currency liabilities includes External Commercial Borrowings.
- 4 Deposit is in the form of Fixed Deposits with Banks.

48B. Capital to Risk Assets Ratio (CRAR)

The ratios calculated in accordance with the guidelines of the Reserve Bank of India, are as under:

Particulars	As at March 31, 2024	As at March 31, 2023
1 CRAR (%)	20.92%	23.16%
2 CRAR - Tier I capital (%)	12.71%	19.90%
3 CRAR - Tier II capital (%)	8.21%	3.26%
4 Amount of subordinated debt raised as Tier-II capital	-	-
5 Amount raised by issue of Perpetual Debt Instruments	-	360,00.00

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

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

Additional disclosures given in terms of the Non Banking Financial Companies - Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 (as amended)

48C. Perpetual debt instruments

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
1 Funds raised through perpetual debt instruments	-	-
2 Amount outstanding at the end of year	1808,00.00	460,00.00
3 Percentage of amount of perpetual debt instrument of the amount of Tier I Capital	17.83%	14.47%
4 Financial year in which interest on perpetual debt instruments is not paid on account of 'Lock-in Clause'	NIL	NIL

48D.

Disclosure on securitisation/direct assignment of standard assets

I) Securitisation of standard assets effected in line with the revised guidelines issued by RBI, dated August 21, 2012 (Refer note 50{13})

II) Details of Assignment transactions undertaken by applicable NBFCs

Particulars	(₹ in lakhs)	
	As at March 31 2024	As at March 31 2023
1 No. of contracts assigned during the year	32,819	14,430
2 Aggregate value (net of provisions) of accounts sold*	3944,05.07	1361,62.84
3 Aggregate consideration	3944,05.07	1361,62.84
4 Additional consideration realized in respect of accounts transferred in earlier years	-	-
5 Aggregate gain / loss over net book value	-	-

*Excluding Deal under Co-lending arrangement of ₹ 793,18.69 Lakhs (Bank contribution is ₹ 634,54.95 Lakhs.

*Includes the carrying value of portfolios sold out of loans classified as amortised cost of ₹ 373,22.57 lakhs in FY 23-24 & ₹ 540,62.72 lakhs in FY 22-23.

* Gain on derecognition of financial instruments amounted to ₹ 194,26.04 lakhs and ₹ 208,31.02 lakhs respectively for the year ended March 31, 2024 and for the year ended March 31, 2023 respectively.

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)

48E. Disclosure of restructured advances

(₹ in lakhs)

Type of Restructuring => Asset Classification =>		Standard	Sub- standard	Others Doubtful	Loss	Total
1	Restructured accounts as on April 1, 2023	No. of borrowers	1	-	7	8
		Amount outstanding	7.89	-	76.08	83.97
		Provision amount	0.42	-	14.95	15.37
2	Transferred from TMF Business Services Limited (formerly known as Tata Motors Finance Limited) on account of demerger	No. of borrowers	10	-	46	56
		Amount outstanding	86.45	-	6,78.27	7,64.72
		Provision amount	6.40	-	1,79.02	1,85.42
3	Fresh restructuring during the year	No. of borrowers	486	38	-	524
		Amount outstanding	44,27.65	2,34.67	-	46,62.32
		Provision amount	11,71.46	82.87	-	12,54.33
4	Upgradations to restructured standard category during the financial year	No. of borrowers	3	-	(3)	-
		Amount outstanding	23.49	-	(23.49)	(0.00)
		Provision amount	9.70	-	(9.70)	0.00
5	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the financial year and hence need not be shown as restructured standard advances at the beginning of the next financial year	No. of borrowers	-	-	-	-
		Amount outstanding	-	-	-	-
		Provision amount	-	-	-	-
6	Down gradations of restructured accounts during the financial year (Refer Note 1)	No. of borrowers	-	-	-	-
		Amount outstanding	-	-	-	-
		Provision amount	-	-	2,50.69	2,50.69
7	Write offs of restructured accounts during the financial year	No. of borrowers	-	-	(6)	(6)
		Amount outstanding	-	-	(48.16)	(48.16)
		Provision amount	-	-	(12.75)	(12.75)
8	Recovery from restructured accounts during the financial year	No. of borrowers	(11)	-	(13)	(24)
		Amount outstanding	(1,06.48)	-	(1,92.78)	(2,99.26)
		Provision amount	(15.83)	-	(49.84)	(65.67)
9	Sale of restructured accounts during the financial year	No. of borrowers	-	-	-	-
		Amount outstanding	-	-	-	-
		Provision amount	-	-	-	-
10	Restructured accounts as on March 31, 2024	No. of borrowers	489	38	31	558
		Amount outstanding	44,38.99	2,34.67	4,89.91	51,63.58
		Provision amount	11,72.14	82.87	3,72.37	16,27.38

The Company has not done any restructuring under CDR mechanism and SME Debt restructuring mechanism and hence no disclosure is required for same.

Note 1: Represents increase in provision amount of the existing restructured borrowers accounts.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

Additional disclosures given in terms of the Non Banking Financial Companies - Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 (as amended)

48E. Disclosure of restructured advances

For the year ended March 31, 2023		(₹ in lakhs)				
Type of Restructuring => Asset Classification =>		Standard	Sub- standard	Others Doubtful	Loss	Total
1 Restructured accounts as on April 1, 2022	No. of borrowers	1	-	12	-	13
	Amount outstanding	3,43.94	-	3,73.37	-	7,17.31
	Provision amount	17.81	-	74.01	-	91.82
2 Fresh restructuring during the year	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
	Provision amount	-	-	-	-	-
3 Upgradations to restructured standard category during the financial year	No. of borrowers	1	-	(1)	-	-
	Amount outstanding	7.89	-	(12.18)	-	(4.29)
	Provision amount	0.42	-	(3.13)	-	(2.71)
4 Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the financial year and hence need not be shown as restructured standard advances at the beginning of the next financial year	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
	Provision amount	-	-	-	-	-
5 Down gradations of restructured accounts during the financial year	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
	Provision amount	-	-	-	-	-
6 Write offs of restructured accounts during the financial year	No. of borrowers	-	-	(2)	-	(2)
	Amount outstanding	-	-	(58.88)	-	(58.88)
	Provision amount	-	-	(10.48)	-	(10.48)
7 Recovery from restructured accounts during the financial year	No. of borrowers	(1)	-	(2)	-	(3)
	Amount outstanding	(3,43.94)	-	(2,26.22)	-	(5,70.16)
	Provision amount	(17.81)	-	(45.45)	-	(63.26)
8 Sale of restructured accounts during the financial year	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
	Provision amount	-	-	-	-	-
9 Restructured accounts as on March 31, 2023	No. of borrowers	1	-	7	-	8
	Amount outstanding	7.89	-	76.08	-	83.97
	Provision amount	0.42	-	14.95	-	15.37

The Company has not done any restructuring under CDR mechanism and SME Debt restructuring mechanism and hence no disclosure is required for same.

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)

48F. Break up of 'Provisions and Contingencies' shown under the head 'Expenditure' in the Statement of Profit and Loss

Particulars	₹ in lakhs	
	For the year ended 2024	For the year ended 2023
1 Provision for doubtful loans and advances (others)	25,74.40	62.18
2 Provision for doubtful Loans	(547,85.99)	(58,02.88)
3 Provision made towards income tax*	172,26.86	3,54.09
4 Provision on consumer disputes	9,99.44	-
5 Provision on indirect taxes	-	-
* includes deferred tax		

48G. Investments

Particulars	₹ in lakhs	
	As at March 31 2024	As at March 31 2023
1 Value of investments		
(i) Gross value of investments	2530,75.45	608,62.92
(a) In India	-	-
(b) Outside India	-	-
(ii) Provision for depreciation	-	-
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments	2530,75.45	608,62.92
(a) In India	-	-
(b) Outside India	-	-
2 Movement of provisions held towards depreciation of investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Utilised	-	-
(iv) Closing balance	-	-

48H. Capital Market

Particulars	₹ in lakhs	
	As at March 31 2024	As at March 31 2023
1 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;	1083,61.70	373,87.69
2 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;	-	-
3 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;	-	-
4 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;	-	-
5 Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
6 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;	-	-
7 Bridge loans to companies against expected equity flows / issues;	-	-
8 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;	-	-
9 Financing to stockbrokers for margin trading;	-	-
10 All exposures to Alternative Investment Funds:		
(i) Category I	5,02.28	-
(ii) Category II	-	-
(iii) Category III	-	-
	<u>1088,63.98</u>	<u>373,87.69</u>

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)

48I. 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 ended	Instruments					
		Long-term bank facilities	Short-term bank facilities	Non-convertible debentures	Subordinated Tier II NCDs	Commercial papers	Perpetual debt
1 CRISIL	March 31, 2024	CRISIL AA/ POSITIVE	CRISIL A1+	CRISIL AA/ POSITIVE	CRISIL AA/ POSITIVE	CRISIL A1+	CRISIL A+ / POSITIVE
	March 31, 2023	CRISIL AA-/ STABLE	NA	CRISIL AA-/ STABLE	CRISIL AA-/ STABLE	CRISIL A1+	CRISIL A / STABLE
2 ICRA	March 31, 2024	ICRA AA/STABLE	ICRA A1+	ICRA AA/STABLE	ICRA AA/STABLE	ICRA A1+	ICRA A+/STABLE
	March 31, 2023	NA	NA	NA	ICRA AA- / POSITIVE	ICRA A1+	ICRA A / POSITIVE
3 CARE	March 31, 2024	CARE AA+/STABLE	NA	CARE AA+/STABLE	CARE AA+/STABLE	CARE A1+	CARE AA-/STABLE
	March 31, 2023	CARE AA-/ STABLE	NA	CARE AA-/ STABLE	CARE AA-/ STABLE	CARE A1+	CARE A / STABLE

48J. Details of financing of parent company's products

Particulars	₹ in lakhs			
	As at March 31		As at March 31	
	2024		2023	
	No's	Amount	No's	Amount
1 Commercial vehicle#	44,227	8508,92.00	-	-
2 Passenger vehicle#	2,437	236,02.00	-	-

#Represents financing of products of ultimate parent entity Tata Motors Limited.

48K. Concentration of advances

Particulars	₹ in lakhs	
	As at March 31	
	2024	2023
1 Total advances to twenty largest borrowers / customer	1269,63.41	1227,80.29
2 Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	3.91%	12.32%

48L. Concentration of exposures

Particulars	₹ in lakhs	
	As at March 31	
	2024	2023
1 Total exposure to twenty largest borrowers / customer	1269,63.41	1227,80.29
2 Percentage of exposures to twenty largest borrowers / customer to total exposure of the NBFC on borrowers / customer	3.91%	12.32%

48M. Concentration of NPAs

Particulars	₹ in lakhs	
	As at March 31	
	2024	2023
1 Total exposure to top four NPA accounts	26,65.77	43,31.72

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)

48N. Sector-wise NPAs (Percentage of NPAs to total advances in that sector)

Sectors	As at March 31, 2024			As at March 31, 2023		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1 Agriculture and allied activities	-	-	-	-	-	-
2 Industry						
i.	-	-	-	-	-	-
ii.	-	-	-	-	-	-
Total						
3 Service						
i. Retail loans	29537,83.27	1959,02.42	6.63%	7155,67.12	386,22.51	5.40%
ii. Wholesale loans	3595,58.67	15,79.13	0.44%	2823,43.42	20,76.96	0.74%
Total	33133,41.94	1974,81.55	5.96%	9979,10.54	406,99.47	4.08%
4 Personal loans						
i.	-	-	-	-	-	-
ii.	-	-	-	-	-	-
Total	-	-	-	-	-	-
5 Others, if any	-	-	-	-	-	-

Notes:

- (a) Percentage of gross NPA to total advances at Company level as per RBI regulations for current and comparative years are as below :-
March 31, 2024 : 6.08%, March 31, 2023 : 4.08%

48O. Customer complaints

Particulars	(Numbers)	
	As at March 31 2024	As at March 31 2023
1 No of complaints pending at the beginning of the year #	983	60
2 No of complaints received during the year*	9,047	1,595
3 No of complaints redressed during the year	9,308	1,468
3.1 Of which, number of complaints rejected by the NBFC	1,475	95
4 No of complaints pending at the end of the year	722	187
* complaints include legal cases lodged		
Complaints received by the NBFC from Office of Ombudsman		
5 Number of maintainable complaints received by the NBFC from Office of Ombudsman	210	8
5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	206	8
5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	8	-
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6 Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Included 796 of complaints transferred from TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) on account of demerger.

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)

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year #	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Any Notice / request from Advocates/ RTO	802	3231	7%	607	416
Loan is terminated, but reflecting in credit bureau report	8	1414	258%	24	0
Payment not reflecting	20	1063	47%	31	5
Recovery Agents/ Direct Sales Agents	31	510	10%	11	4
Collection call received despite regular payment of EMIs	1	991	989%	2	0
Others	121	1838	5%	47	14
Total	983	9047	15%	722	439
Previous Year					
Payment not reflecting	3	472	-25%	7	2
Any Notice / request from Advocates/ RTO	49	685	104%	169	112
Loan is terminated, but reflecting in Credit Report	2	67	294%	1	0
Renewed Insurance Policy Not received	0	107	168%	0	0
Recovery Agents/ Direct Sales Agents	0	38	36%	2	1
Others	6	226	25%	8	3
Total	60	1595	30%	187	118

Included transferred from TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) on account of demerger.

48P. Movement of NPAs

Particulars	₹ in lakhs	
	As at March 31 2024	As at March 31 2023
1 Net NPAs to net advances		
	3.44%	2.82%
2 Movement of NPAs (Gross)		
(i) Opening balances	406,99.47	619,50.83
(ii) Transfer from TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) on account of demerger	2874,79.40	-
(iii) Additions during the year	815,88.46	309,20.08
(iv) Reductions during the year	2122,85.78	521,71.44
(v) Closing balances	<u>1974,81.55</u>	<u>406,99.47</u>
3 Movement of Net NPAs		
(i) Opening balances	277,80.97	403,84.81
(ii) Transfer from TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) on account of demerger	1422,30.79	-
(iii) Additions during the year	413,72.55	(8,67.89)
(iv) Reductions during the year	1029,08.45	117,35.95
(v) Closing balances	<u>1084,75.86</u>	<u>277,80.97</u>
4 Movement of provisions for NPAs (excluding provisions on standard assets)		
(i) Opening balances	129,18.50	215,66.02
(ii) Transfer from TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) on account of demerger	1452,48.61	-
(iii) Provisions made during the year	402,15.91	317,87.97
(iv) Write-off / write-back of excess provisions	1093,77.33	404,35.49
(v) Closing balances	<u>890,05.69</u>	<u>129,18.50</u>

48Q. Forward Rate Agreement / Interest Rate Swap

Particulars	₹ in lakhs	
	As at March 31 2024	As at March 31 2023
(i) The notional principal of swap agreements	2370,14.59	110,71.50
(ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	102,44.23	13,40.42
(iii) Collateral required by the applicable NBFC upon entering into swap	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book	97,52.93	13,40.42

The Company as per its risk management policy, uses foreign exchange forward and other Interest Rate Swap (IRS) to hedge the risk exposure relating to changes in foreign currency exchange rate and interest rate.

Refer note 3 for accounting policies on derivative and hedging activities and note 42 for risk management policies adopted by the Company.

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)

Quantitative Disclosures

Particulars	(₹ in lakhs)			
	As at March 31		As at March 31	
	2024		2023	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)				
For hedging		2370,14.93		110,71.50
(ii) Marked to Market Positions				
a) Asset (+)	89,02.02	13,42.21	13,40.42	-
b) Liability (-)	-	(4,91.29)	-	-
(iii) Credit Exposure	-	-	-	-
(iv) Unhedged Exposures	-	-	-	-

48R. Disclosure on liquidity risk as per RBI notification 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)

(₹ in lakhs)			
No. of Significant Counterparties*	Amount	Percentage to Total Deposits	Percentage to Total Liabilities
1	21	27874,25.96	NA
			87.13%

(ii) Top 20 large deposits (amount in Rs lakhs and percentage of Total Deposits) - Not Applicable

(iii) Top 10 Borrowings

(₹ in lakhs)	
Amount	% of Total Borrowings
21499,05.40	67.04%

(iv) Funding Concentration based on significant instrument / product

(₹ in lakhs)		
Name of the instrument/product	Amount	% to Total Liabilities
1 Term Loans (including External Commercial Borrowings)	22290,45.34	69.67%
2 Working capital demand loan	2914,90.00	9.11%
3 Commercial paper	1072,70.57	3.35%
4 Non-Convertible debentures	2757,19.42	8.62%
5 Subordinated debt	1082,86.07	3.38%
6 Inter corporate deposit	-	0.00%
7 Cash credit	143,03.94	0.45%

(v) Stock ratios

Particulars	Total public funds	Total liabilities	Total assets
1 Commercial papers as a percentage of	3.34%	3.35%	2.78%
2 Non-convertible debentures (original maturity of less than one year) as a percentage of	none	none	none
3 Other short-term liabilities as a percentage of	50.35%	50.47%	41.86%

Note: Interest accrued but not due has been excluded from borrowings/total public funds.

Total Public Funds includes all borrowings including Collateralised debt obligation, nominal value of Compulsory convertible preference shares (conversion period > 5 years) & instrument entirely in nature of equity.

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)

(vi) Institutional set-up for liquidity risk management

The company has constituted an Asset Liability Supervisory Committee (ALCO) to oversee liquidity risk management. ALCO consists of Managing Director & Chief Executive Officer, Non-Executive Director, Chief Financial Officer, Chief Digital and Marketing Officer, Chief Credit Officer, Chief Risk Officer and Head - Treasury. The ALCO meetings are held every quarter. TMFL 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 regular basis. The ALCO and RMC also updates the Board at regular intervals.

For the previous year i.e. financial year 2022-23

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

1	No. of Significant Counterparties*	Amount	(₹ in lakhs)	
			Percentage to Total Deposits	Percentage to Total Liabilities
1	21	8933,68.18	NA	95.64%

*Represents counterparties accounting for more than 1% of total liabilities

(ii) Top 20 large deposits (amount in Rs lakhs and percentage of Total Deposits) - Not Applicable

(iii) Top 10 Borrowings

(₹ in lakhs)	
Amount	% of Total Borrowings
5956,22.08	66.34%

(iv) Funding Concentration based on significant instrument / product

		(₹ in lakhs)	
Name of the instrument/product		Amount	% to Total Liabilities
1	Term loans (including External Commercial Borrowings)	6765,31.92	72.43%
2	Commercial paper	346,00.39	3.70%
3	Working capital demand loan	565,00.00	6.05%
4	Non-convertible debentures	1302,32.96	13.94%

(v) Stock ratios

Particulars		Total public funds	Total liabilities	Total assets
1	Commercial papers as a percentage of	3.85%	3.70%	2.93%
2	Non-convertible debentures (original maturity of less than one year) as a percentage of	NA	NA	NA
3	Other short-term liabilities as a percentage of	42.85%	41.19%	32.63%

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

(vi) Institutional set-up for liquidity risk management

Tata Motors Finance Limited (TMFL) has an Asset Liability Supervisory Committee (ALCO), a Board level Sub-committee to oversee liquidity risk management. ALCO consists of Non-Executive Director, Independent Directors, Chief Executive Officer and Group Chief Financial Officer. The ALCO meetings are held once in 3 months. TMFL 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.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

Additional disclosures given in terms of the Non Banking Financial Companies - Systemically Important Non Deposit Taking Company and Deposit Taking Company, (Reserve Bank) Directions, 2016 (as amended)

48S. 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

(₹ in lakhs)						
Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS	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	28574,03.85	213,38.53	28360,65.32	116,98.87	96,39.66
	Stage-2	1911,31.96	246,05.26	1665,26.70	9,34.89	236,70.37
Subtotal		30485,35.81	459,43.79	30025,92.02	126,33.76	333,10.03
Non-Performing Asset (NPA)						
<u>SubStandard</u>	Stage-3	794,66.57	253,29.41	541,37.16	79,90.39	173,39.02
Doubtful up to 1 Year	Stage-3	769,48.66	347,65.07	421,83.59	529,85.82	(182,20.75)
1 to 3 Years	Stage-3	403,34.06	282,80.79	120,53.27	319,01.34	(36,20.55)
More than 3 Years	Stage-3	7,32.25	6,30.41	1,01.84	6,91.99	(61.58)
Subtotal of Doubtful		1180,14.97	636,76.27	543,38.70	855,79.15	(219,02.88)
Loss	Stage-3	-	-	-	-	-
Subtotal of NPA		1974,81.54	890,05.68	1084,75.86	935,69.54	(45,63.86)
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	158,24.61	63.98	157,60.63	-	63.98
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
Subtotal		158,24.61	63.98	157,60.63	-	63.98
TOTAL	Stage-1	28732,28.46	214,02.51	28518,25.95	116,98.87	97,03.64
	Stage-2	1911,31.96	246,05.26	1665,26.70	9,34.89	236,70.37
	Stage-3	1974,81.54	890,05.68	1084,75.86	935,69.54	(45,63.86)
		32618,41.96	1350,13.45	31268,28.51	1062,03.30	288,10.15

In terms of requirement of RBI notification no. mentioned above on implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reverse for any short fall in impairment allowance under Ind AS 109 and income Recognition and Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The Impairment allowance under Ind AS 109 made by the company exceeds the total provision required under IRACP (Including standard assets provisioning), as at March 31, 2024 and accordingly, no amount is required to be transferred to impairment reserve.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

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

Additional disclosures given in terms of the Non Banking Financial Companies - Systemically Important Non Deposit Taking Company and Deposit Taking Company, (Reserve Bank) Directions, 2016 (as amended)

For the previous year i.e. financial year 2022-23

(₹ in lakhs)						
Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under 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	9180,82.75	49,94.36	9130,88.39	36,96.47	12,97.89
	Stage-2	376,72.89	13,05.49	363,67.40	2,26.69	10,78.80
Subtotal		9557,55.64	62,99.85	9494,55.79	39,23.16	23,76.69
Non-Performing Asset (NPA)						
<u>SubStandard</u>	Stage-3	228,63.62	72,88.29	155,75.33	21,43.83	51,44.46
Doubtful up to 1 Year	Stage-3	143,24.91	37,91.53	105,33.38	59,19.85	(21,28.32)
1 to 3 Years	Stage-3	34,35.17	18,06.10	16,29.07	23,40.48	(5,34.38)
More than 3 Years	Stage-3	75.77	32.58	43.19	57.58	(25.01)
<u>Subtotal of Doubtful</u>		178,35.85	56,30.21	122,05.64	83,17.91	(26,87.71)
Loss	Stage-3	-	-	-	-	-
Subtotal of NPA		406,99.47	129,18.50	277,80.97	104,61.74	24,56.75
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	14,55.44	9.08	14,46.36	-	9.08
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
Subtotal		14,55.44	9.08	14,46.36	-	9.08
TOTAL	Stage-1	9195,38.19	50,03.43	9145,34.76	36,96.47	13,06.97
	Stage-2	376,72.89	13,05.49	363,67.40	2,26.69	10,78.80
	Stage-3	406,99.47	129,18.50	277,80.96	104,61.74	24,56.75
		9979,10.55	192,27.42	9786,83.12	143,84.90	48,42.52

In terms of requirement of RBI notification no. mentioned above on implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reverse for any short fall in impairment allowance under Ind AS 109 and income Recognition and Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The Impairment allowance under Ind AS 109 made by the company exceeds the total provision required under IRACP (Including standard assets provisioning), as at March 31, 2023 and accordingly, no amount is required to be transferred to impairment reserve.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

Additional disclosures given in terms of the Non Banking Financial Companies - Systemically Important Non Deposit Taking Company and Deposit Taking Company

48T

Disclosure on liquidity risk as per RBI notification 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

RBI vide circular dated November 4, 2019 has made it mandatory for NBFCs to implement Liquidity Coverage Ratio (LCR) with effect from December 1, 2020. Accordingly, the Board and ALCO has approved the Liquidity risk management policy including LCR policy. The overall Liquidity risk management of TMFL is under the guidance of the ALCO and within the overall framework of the Board approved policies. The mandated regulatory threshold as per the transition plan is embedded into the policy to ensure maintenance of adequate liquidity buffers. LCR computations are reported to ALCO and the Board for oversight and periodical review. LCR seeks to ensure that TMFL has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash promptly and immediately to meet its liquidity needs under a 30-day calendar liquidity stress scenario. As a strategy, TMFL has been maintaining Investment in Government Securities and balance in current account with banks which has resulted in a high level of HQLA. TMFL follows the criteria laid down by the RBI for calculation of High-Quality Liquid Assets (HQLA), gross outflows and inflows within the next 30-day period. HQLA predominantly comprises Investment in Government Securities and Balance in current accounts with the Banks. TMFL is funded through Commercial papers, term loans from banks, long term bonds, and foreign currency borrowings. All significant outflows and inflows determined in accordance with RBI guidelines are included in the prescribed LCR computation. The Company assesses the impact on short term liquidity gaps dynamically under various scenarios covering business projections under normal as well as varying market conditions. Periodical reports are placed before the Company's ALCO for perusal and review. The LCR is calculated by dividing a TMFL's stock of HQLA by its total net cash outflows over a 30-day stress period.

RBI has mandated a minimum LCR of 85% from 1st December 2023 and TMFL's LCR stood at 140% for the quarter ended March 31, 2024. Below is the quarterly summary of LCR values for financial year 2023- 2024.

Particulars	(₹ in lakhs)							
	Quarter ended March 31, 2024		Quarter ended December 31, 2023		Quarter ended September 30, 2023		Quarter ended June 30, 2023	
	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
High Quality Liquid Assets (HQLA)								
(i) Fixed Deposits (unencumbered)	-	-	-	-	-	-	-	-
(ii) Investment in Government Securities	1404,64.38	1404,64.38	1504,70.86	1504,70.86	1423,01.27	1423,01.27	1301,93.46	1301,93.46
(iii) Cash & Bank Balance	187,63.55	187,63.55	136,47.03	136,47.03	116,80.18	116,80.18	122,24.84	122,24.84
(iv) Investment in Listed Companies	-	-	-	-	-	-	-	-
1 Total HQLA	1592,27.93	1592,27.93	1641,17.89	1641,17.89	1539,81.45	1539,81.45	1424,18.30	1424,18.30
Cash Outflow								
2 Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3 Unsecured wholesale funding	1236,70.34	1422,20.89	1203,37.48	1383,88.10	1081,06.14	1243,22.06	485,81.28	558,68.47
4 Secured wholesale funding	1335,70.65	1536,06.25	1358,82.04	1562,64.35	1445,46.73	1662,28.74	1401,13.02	1611,29.97
5 <u>Additional requirements, of which</u>								
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	4,41.97	5,08.27	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities								
6 Other contractual funding obligations	1251,98.02	1439,77.73	1166,39.05	1341,34.91	1172,51.17	1348,38.85	1253,01.54	1440,96.77
7 Other contingent funding obligations	135,99.60	156,39.54	142,15.39	163,47.70	137,51.53	158,14.26	136,79.94	157,31.93
8 Total Cash Outflow	3960,38.61	4554,44.41	3870,73.96	4451,35.06	3840,97.54	4417,12.18	3276,75.78	3768,27.14
Cash Inflow								
9 Secured lending	-	-	-	-	-	-	-	-
10 Inflows from fully performing exposures	1884,27.51	1413,20.63	2033,40.49	1525,05.37	2119,79.79	1589,84.85	1964,76.95	1473,57.72
11 Other cash inflows	3153,04.90	2364,78.68	3366,30.37	2524,72.78	3395,64.68	2546,73.51	8984,12.35	6738,09.26
12 Total Cash Inflow	5037,32.41	3777,99.31	5399,70.86	4049,78.15	5515,44.47	4136,58.36	10948,89.30	8211,66.98
13 Total HQLA		1592,27.93		1641,17.89		1539,81.45		1424,18.30
14 Total Net Cash Outflow		1138,61.10		1112,83.77		1104,28.04		942,06.78
15 LIQUIDITY COVERAGE RATIO (%)		140%		147%		139%		151%

Notes:

1. Total Unweighted Value (average) and Total weighted Value (average) are calculated taking simple averages of monthly observations for the respective quarter.
2. Inflows from fully performing exposures represents inflow from both secured and unsecured loans and advances.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

Additional disclosures given in terms of the Non Banking Financial Companies - Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 (as amended)

Disclosure on liquidity risk as per RBI notification 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

Tata Motors Finance Solutions Limited (TMFL) (Formerly known as Tata Motors Finance Solutions Limited (TMFSL)) has constituted an Asset Liability Supervisory Committee (ALCO) to oversee liquidity risk management. ALCO consists of Whole Time/ Executive Director, Non-Executive Director, Group Chief Financial Officer, Chief Financial Officer, Chief Digital and Marketing Officer, Chief Credit Officer, Chief Risk Officer and Head – Treasury. The ALCO meetings are held every quarter. TMFSL 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 regular basis. The ALCO and RMC also updates the Board at regular intervals.

RBI vide circular dated November 4, 2019 has made it mandatory for NBFCs to implement Liquidity Coverage Ratio (LCR) with effect from December 1, 2020. Accordingly, the Board and ALCO has approved the Liquidity risk management policy including LCR policy. The overall Liquidity risk management of TMFSL is under the guidance of the ALCO and within the overall framework of the Board approved policies. The mandated regulatory threshold as per the transition plan is embedded into the policy to ensure maintenance of adequate liquidity buffers. LCR computations are reported to ALCO and the Board for oversight and periodical review. LCR seeks to ensure that TMFSL has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash promptly and immediately to meet its liquidity needs under a 30-day calendar liquidity stress scenario. As a strategy, TMFSL has been maintaining Investment in Government Securities and balance in current account with banks which has resulted in a high level of HQLA. TMFSL follows the criteria laid down by the RBI for calculation of High-Quality Liquid Assets (HQLA), gross outflows and inflows within the next 30-day period. HQLA predominantly comprises Investment in Government Securities and Balance in current accounts with the Banks. TMFSL is funded through Commercial papers, term loans from banks, long term bonds, and foreign currency borrowings. All significant outflows and inflows determined in accordance with RBI guidelines are included in the prescribed LCR computation. The Company assesses the impact on short term liquidity gaps dynamically under various scenarios covering business projections under normal as well as varying market conditions. Periodical reports are placed before the Company's ALCO for perusal and review. The LCR is calculated by dividing a TMFSL's stock of HQLA by its total stressed net cash outflows over next 30-day period.

RBI has mandated a minimum LCR of 70% and TMFSL's LCR stood at 181% for the quarter ended March 31, 2023.

Below is the quarterly summary of LCR values for financial year 2022-23.

Particulars	(₹ in lakhs)							
	Quarter ended March 31, 2023		Quarter ended December 31, 2022		Quarter ended September 30, 2022		Quarter ended June 30, 2022	
	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
High Quality Liquid Assets (HQLA)								
(i) Fixed Deposits (unencumbered)	-	-	-	-	-	-	-	-
(ii) Investment in Government Securities	350,25.09	350,25.09	280,39.62	280,39.62	301,26.33	301,26.33	245,53.02	245,53.02
(iii) Cash & Bank Balance	60,45.22	60,45.22	74,17.75	74,17.75	75,90.60	75,90.60	107,31.50	107,31.50
(iv) Investment in Listed Companies	-	-	-	-	-	-	-	-
1 Total HQLA	410,70.31	410,70.31	354,57.37	354,57.37	377,16.93	377,16.93	352,84.52	352,84.52
Cash Outflow								
Deposits (for deposit taking companies)								
3 Unsecured wholesale funding	183,84.45	211,42.12	74,50.16	85,67.69	178,28.42	205,02.68	96,34.14	110,79.26
4 Secured wholesale funding	251,93.48	289,72.50	185,61.36	213,45.57	269,53.97	309,97.07	154,55.18	177,73.45
5 Additional requirements, of which								
(i) Outflows related to derivative exposures and other collate	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	309,44.21	355,85.84	442,84.16	509,26.78	368,93.55	424,27.58	333,55.73	383,59.09
7 Other contingent funding obligations	45,04.03	51,79.63	38,70.89	44,51.53	34,82.57	40,04.96	16,28.47	18,72.74
8 Total Cash Outflow	790,26.17	908,80.09	741,66.57	852,91.57	851,58.51	979,32.29	600,73.52	690,84.54
Cash Inflow								
9 Secured lending	-	-	-	-	-	-	-	-
10 Inflows from fully performing exposures	1069,39.02	802,04.27	1144,93.38	858,70.03	1109,40.05	832,05.04	923,54.51	692,65.89
11 Other cash inflows	2907,59.60	2180,69.70	3239,47.60	2429,60.70	2995,36.88	2246,53.66	2593,84.77	1945,38.58
12 Total Cash Inflow	3976,98.62	2982,73.97	4384,40.98	3288,30.73	4104,76.93	3078,58.70	3517,39.28	2638,04.47
13 Total HQLA	-	41,070.31	-	354,57.37	-	377,16.94	-	352,84.52
14 Total Net Cash Outflow	-	22,720.02	-	213,22.89	-	244,83.07	-	172,71.13
15 LIQUIDITY COVERAGE RATIO (%)		181%		166%		154%		204%

Notes:

1. Total Unweighted Value (average) and Total weighted Value (average) are calculated taking simple averages of monthly observations for the respective quarter.
2. Inflows from fully performing exposures represents inflow from both secured and unsecured loans and advances.

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

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

49. Information as required by Reserve Bank of India Circular on Resolution Framework for COVID 19 related stress dated August 6, 2020

Format B: Disclosure for period ended March 31, 2024

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of September 30, 2023 (A)	Of (A), aggregate debt that slipped into NPA during half-year	Of (A) amount written off during half year	Of (A) amount paid by the borrowers during the half year	(₹ in lakhs)
					Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of March 31, 2024
Personal Loans	63,23.54	2,12.29	82.96	13,13.76	47,14.53
Corporate persons*	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	375,56.78	13,92.17	6,66.80	141,09.75	213,88.06
Total	438,80.32	16,04.46	7,49.76	154,23.51	261,02.59

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

50.

Other disclosures

- 1 No penalties were imposed by RBI and other regulators during the year ended March 31, 2024. (March 31,2023: Nil)
- 2 The Company does not have any exposure in real estate sector during the year ended March 31, 2024. (March 31,2023: Nil)
- 3 The Company has not exceeded the prudential exposure limits in respect to single borrower limit / group borrower limit during the year ended March 31, 2024. (March 31,2023: Nil)
- 4 The Company is registered with Reserve Bank of India as a Systemically Important Non Deposit Taking Non Banking Financial Company and Insurance Regulatory and Development Authority of India.
- 5 The Company has not drawn down any amounts from the reserves during the year ended March 31, 2024 (March 31,2023: Nil) except as disclosed in statement of changes in equity.
- 6 The Company has not sold any Financial Assets to Securitisation / Reconstruction Company for Asset Reconstruction during the year ended March 31, 2024. (March 31,2023: Nil)
- 7 The Company has not purchased any non-performing financial assets during the year ended March 31, 2024. (March 31,2023: Nil)
- 8 The Company does not have any exceptional items of income and expenditure during the year ended March 31, 2024. (March 31,2023: Nil)
- 9 The Company does not have any divergence in provisioning and gross NPA reported by company and assessed by RBI in its inspection report of FY 22-23.
- 10 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.
- 11 **Overseas assets (for those with joint ventures and subsidiaries abroad)**
The Company does not have any joint venture or subsidiary abroad, hence not applicable.
- 12 **Unsecured advances**
At March 31, 2024, the amount of unsecured advances stood at ₹ 1597,44.86 Lakhs (March 31, 2023: ₹ 1733,60.76 Lakhs)
The Company has not granted unsecured advances against collateral of intangible securities such as charge over the rights, licenses or authority.
- 13 The Company does not have any balances of securitization transactions during the year ended March 31, 2024. (March 31,2023: Nil)
- 14 **Loan to directors, senior officers and relatives of directors**

	(₹ in lakhs)	
	Current Year	Previous Year
Directors and its relatives	Nil	Nil
Entities associated with directors and their relatives	Nil	Nil
Senior officers and their relatives	Nil	Nil

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)
Notes forming part of financial statements for the year ended March 31, 2024

51. The Company transfer standard loans through Direct Assignment route. Following table provide the details of loan transferred during the year ended March 31, 2024

Particulars	(₹ in lakhs)	
	For the year ended March	For the year ended
	31	March 31
	2024	2023
Number of transactions	13	6
Number of loans assigned	32,819	14,430
Aggregate principal outstanding amount of loans assigned *	4382,27.86	1512,92.00
Sale consideration	3944,05.07	1361,62.00
Weighted average residual maturity (months)	39.39	30.46
Weighted average holding period (months)	9.88	9.73
Retention of beneficial economic interest	438,22.79	151,30.00
Tangible security coverage	100%	100%
Rating wise distribution of rated loans assigned	NA	NA
Number of instances (transactions) of replacing the transferred loans	NA	NA
Number of transferred loans replaced	NA	NA
* Indicates 100% principal outstanding amount as on loan assignment date		
**Excluding deal under co-lending arrangement of ₹ 793,19 Lakhs (Bank contribution is ₹ 634,55 Lakhs) for the year March 31, 2024 and ₹ 113,03 Lakhs (Bank contribution is ₹ 9043,00 Lakhs) for the year March 31, 2023.		

52. Fraud

As required by Reserve Bank of India circular No RBI/2011-12/424 DNBS.PD.CC. No. 256 /03.10.042 / 2011-12 dated March 02, 2012 on monitoring of frauds, the Company has reported fraud amounting to ₹ 3,78.92 lakhs during year ended March 31, 2024 (during the year ended March 31, 2023 ₹ 52.26 lakhs) through form FMR 1.

53. Unhedged foreign currency exposure

There is no Unhedged foreign currency exposure as on March 31, 2024. The Company in past has issued ECBs which are fully hedged as per Risk Management Policy.

54. Breach of Covenant

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

As per our report of even date attached

For KALYANIWALLA & MISTRY LLP

Chartered Accountants

Firm Registration Number: 104607W / W100166

Damarla Sai

Venkata

Ramana

Sai Venkata Ramana Damarla

Partner

Membership No. 107017

Place: Mumbai

Date: April 29, 2024

For and on behalf of the Board of Directors

PALAMADAI
SUNDARARAJA
N JAYAKUMAR

Digitally signed by
PALAMADAI
SUNDARARAJAN
JAYAKUMAR
Date: 2024.04.29
19:30:35 +05'30'

P. S. Jayakumar
Director
(DIN - 01173236)

PATHAMAD
AI
BALACHAND
RAN BALAJI

Digitally signed by Pathma Venkai
BALACHANDRAN BALAJI
Date: 2024.04.29 19:02:07 +05'30'

P. B. Balaji
Director
(DIN - 02762983)

SAMRAT
GUPTA

Digitally signed by
SAMRAT GUPTA
Date: 2024.04.29
19:12:39 +05'30'

Samrat Gupta
Managing Director & CEO
(DIN - 07071479)

RIDHI ZAVERI
GANGAR

Digitally signed by
RIDHI ZAVERI GANGAR
Date: 2024.04.29
19:08:34 +05'30'

Ridhi Gangar
Chief Financial Officer

Place: Mumbai
Date: April 29, 2024

VINAY
BABURAO
LAVANNIS

Digitally signed by
VINAY BABURAO
LAVANNIS
Date: 2024.04.29
19:18:03 +05'30'

Vinay Lavannis
Company Secretary
(Membership No - A7911)

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

Schedule to the Balance Sheet as at March 31, 2024 of a non-deposit taking non-banking financial Company

(Disclosure as per Annexure 1 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015)

Liabilities side:		(₹ in lakhs)	
1	Loans and advances availed by the non-banking financial Company inclusive of interest accrued thereon but not paid:	Amount outstanding	Amount overdue
(a)	Debentures		
	: Secured	82,87.08	-
	: Unsecured (Note-1)	3884,35.92	-
	(other than falling within the meaning of public deposits)		
(b)	Deferred credits	-	-
(c)	Term loans	22317,61.44	-
(d)	Inter-corporate loans and borrowings	-	-
(e)	Commercial papers (Note-2)	1072,70.57	-
(f)	Other Loans		
	- Working capital demand loan (secured)	2740,00.00	-
	- Working capital demand loan (unsecured)	174,90.00	
	- Cash Credit from banks	143,03.94	-
	- Collateral debt obligation	-	-
Assets Side :		(₹ in lakhs)	
2	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:	Amount Outstanding	
(a)	Secured	30862,72.47	
(b)	Unsecured	1597,44.86	
		(₹ in lakhs)	
3	Break up of Leased Assets and stock on hire and other assets towards AFC activities	Amount Outstanding	
(i)	Lease assets including lease rentals under sundry debtors :		
(a)	Financial lease	193,91.44	
(ii)	Stock on hire including hire charges under sundry debtors :		
(a)	Assets on hire	-	
(b)	Reposessed Assets	-	
(iii)	Other loans counting towards AFC activities		
(a)	Loans where assets have been reposessed	134,07.34	
(b)	Loans other than (a) above	32132,18.55	

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

Schedule to the Balance Sheet as at March 31, 2024 of a non-deposit taking non-banking financial Company

(₹ in lakhs)

(4) Break-up of Investments:

**Amount
Outstanding**

Current Investments:

1 Quoted :

(i) Shares : (a) Equity *	6,26.82
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	300,38.96
(iv) Government Securities	159,59.93
(v) Others	-
Investment in Senior Pass Through Certificates	-

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	895,43.33
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	1097,33.28
(v) Others	-

2 Unquoted:

(i) Shares : (a) Equity	72,57.67
(b) Preference	40.00
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	5,02.28

* Includes investments which are classified as asset held for sale

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :

(₹ in lakhs)

Category	Amount net of provisions		
	Secured	Unsecured	Total
1 Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	93,85.03	139,64.66	233,49.69
(c) Other related parties	-	-	-
2 Other than related parties	30552,76.43	1673,91.21	32226,67.64
Total	30646,61.46	1813,55.87	32460,17.33

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED) (CIN - U65910MH1992PLC187184)

Schedule to the Balance Sheet as at March 31, 2024 of a non-deposit taking non-banking financial Company

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

(₹ in lakhs)

Category	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	968,41.00	968,41.00
(c) Other related parties	-	-
2 Other than Related Parties		
<u>Quoted</u>		
Investment in Equity Shares *	6,26.82	6,26.82
<u>Unquoted</u>		
Investment in non-convertible debentures	-	-
Investment in units of mutual fund	300,38.96	300,38.96
Others	1261,95.49	1261,95.49
Total	2537,02.27	2537,02.27

(7) Other information

Particulars

(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	1974,81.55
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	1084,75.86
(iii) Assets acquired in satisfaction of debt	-

* Includes investments which are classified as asset held for sale

Note 1: Includes Zero coupon debentures of ₹ 1202,94.97 lakhs, net of unamortised premium on redemption and unamortised borrowing cost of ₹ 196,18.43 lakhs.

Note 2: Commercial Paper of ₹ 1072,70.57 lakhs are net of unamortised discounting charges and unamortised borrowing cost amounting to ₹ 27,29.43 lakhs.

PALAMADAI
SUNDARARAJA
N JAYAKUMAR

Digitally signed by PALAMADAI
SUNDARARAJA N JAYAKUMAR
Date: 2024.04.29 19:51:12
+05'30'

P. S. Jayakumar
Director
(DIN - 01173236)

PATHAMADAI
BALACHAND
RAN BALAJI

Digitally signed by
PATHAMADAI
BALACHANDRAN BALAJI
Date: 2024.04.29
18:43:46 +05'30'

P.B. Balaji
Director
(DIN - 02762983)

**SAMRAT
GUPTA**

Digitally signed by
SAMRAT GUPTA
Date: 2024.04.29
19:13:13 +05'30'

Samrat Gupta
Managing Director and
Chief Executive Officer
(DIN - 07071479)

RIDHI ZAVERI
GANGAR

Digitally signed by
RIDHI ZAVERI GANGAR
Date: 2024.04.29
19:09:03 +05'30'

Ridhi Gangar
Chief Financial Officer

VINAY
BABURAO
LAVANNIS

Digitally signed by
VINAY BABURAO
LAVANNIS
Date: 2024.04.29
19:18:44 +05'30'

Vinay Lavannis
Company Secretary
Membership No:-A7911

Place: Mumbai
Date : April 29, 2024

