

Sundaram & Srinivasan
Chartered Accountants
23 C P Ramaswamy Road
Alwarpet,
Chennai – 600 018

Borkar & Muzumdar
Chartered Accountants
21/168, Anand Nagar Om CHS,
Vakola, Santacruz East,
Mumbai – 400 055

Independent Auditor’s Limited Review Report on unaudited quarterly financial results under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To
The Board of Directors of
Tata Motors Finance Limited (Formerly “Tata Motors Finance Solutions Limited”)

Introduction

1. We have reviewed the accompanying statement of unaudited financial results of Tata Motors Finance Limited (formerly “Tata Motors Finance Solutions Limited”) (‘the Company’) for the quarter ended 30 June 2024 (‘the Statement’), being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘Listing Regulations’).
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors at their meeting held on 18 July 2024, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (‘Ind AS’) 34 ‘Interim Financial Reporting’ prescribed under section 133 of the Companies Act, 2013, the circulars, guidelines and directions issued by Reserve Bank of India (‘RBI’) from time to time and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of Review

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (‘SRE’) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Conclusion

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable Ind AS and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Other Matters

5. As mentioned in Note 3 to the Statement, the Company's Board of Directors at their meeting dated 4 June 2024 has approved a Scheme of Amalgamation for amalgamation of the Company with and into Tata Capital Limited and their respective shareholders ("the Scheme"), under the relevant provisions of the Companies Act, 2013 and the Rules made thereunder. The Scheme will become effective from the Appointed Date (1 April 2024), upon fulfilment of all the conditions set out in the Scheme including receipt of applicable regulatory approvals.

Our conclusion on the Statement is not modified in respect of this matter.

6. The comparative figures for the quarter ended 30 June 2023 provided in the Statement, were reviewed by predecessor auditors of the Company, who have expressed an unmodified conclusion on the same vide their review report dated 20 July 2023. The comparative figures of audited financial results for the year ended 31 March 2024 provided in the Statement, were audited by predecessor auditors of the Company, who have expressed an unmodified opinion on the same vide their Independent Auditors' Report dated 29 April 2024. The comparative figures for the quarter ended 31 March 2024 as provided in the Statement, are the balancing figures between audited figures in respect of the full previous financial year ended 31 March 2024 and the published reviewed figures for the nine months ended 31 December 2023.

Our conclusion on the Statement is not modified in respect of this matter.

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration Number: 004207S

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P Menakshi Sundaram
Partner
ICAI Membership Number: 217914
UDIN: 24217914BKBOWM9601

Place: Chennai
Date: 18 July 2024

For **Borkar & Muzumdar**
Chartered Accountants
Firm Registration Number: 101569W

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Kaushal Muzumdar
Partner
ICAI Membership Number: 100938
UDIN: 24100938BKELDJD2257

Place: Mumbai
Date: 18 July 2024

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED)

Registered office:- Sir H.C. Dinshaw Building, Office No. 14, 4th Floor, 16 Horniman Circle, Fort,
Mumbai-400 001

Fax No. - 91 22 61729619, Tel No. - 91 22 61729600, website www.tmf.co.in

CIN - U65910MH1992PLC187184

Statement of unaudited financial results for the quarter ended June 30, 2024

(**₹ In Lakhs**)

Sr.No	Particulars	Quarter ended			Year ended
		June 30, 2024	June 30, 2023	March 31, 2024	March 31, 2024
		Unaudited	Unaudited	Audited (Refer Note 8)	Audited
	Revenue from operations				
	(a) Interest income	913,07.03	988,10.60	909,48.20	3813,84.98
	(b) Dividend income	8,25.70	2.91	13.03	12,95.46
	(c) Rental income	84.06	83.79	83.79	3,35.17
	(d) Fees and commission income	59,83.93	37,75.38	62,42.35	183,00.65
	(e) Net gain on fair value changes	83,08.12	44,40.46	(42,00.17)	746,83.92
	(f) Net gain on derecognition of financial instruments	33,21.42	57,01.12	35,13.98	194,26.04
I.	Total Revenue from operations	1098,30.26	1128,14.26	966,01.18	4954,26.22
II.	Other Income	6,46.62	11,20.08	20,54.36	50,93.12
III.	Total Income (I + II)	1104,76.88	1139,34.34	986,55.54	5005,19.34
	Expenses				
	(a) Finance costs	640,02.04	650,60.05	612,20.97	2496,67.05
	(b) Impairment of financial instruments and other assets	137,60.14	182,88.72	173,03.96	1128,03.42
	(c) Employee benefits expense	147,76.43	81,71.39	179,57.16	507,30.64
	(d) Depreciation, amortization and impairment	8,27.59	6,77.90	8,19.71	31,11.90
	(e) Other expenses	135,09.89	164,27.25	162,96.32	617,91.61
IV.	Total Expenses	1068,76.09	1086,25.31	1135,98.12	4781,04.62
V.	Profit / (Loss) before tax for the quarter/ year (III - IV)	36,00.79	53,09.03	(149,42.58)	224,14.72
	Tax Expense:				
	(a) Current tax	-	-	-	-
	(b) Deferred tax	(6.19)	2,03.93	60,11.06	172,26.86
VI.	Total Tax Expense	(6.19)	2,03.93	60,11.06	172,26.86
VII.	Profit / (Loss) for the quarter/ year (V - VI)	36,06.98	51,05.10	(209,53.64)	51,87.86
VIII.	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)	(3,34.49)
	(b) Equity Instruments through Other Comprehensive Income	11,93.71	5,05.46	24,27.60	45,27.85
	ii. Income tax relating to items that will not be reclassified to profit or loss	(3,00.43)	(1,27.21)	(6,10.98)	(11,39.57)
	Subtotal (A)	8,93.28	3,78.25	14,82.13	30,53.79
B.	i. Items that will be reclassified to profit or loss				
	(a) Net gains/(losses) on cash flow hedges	(50,01.10)	(31,74.16)	26,09.20	15,86.28
	(b) Debt Instruments through Other Comprehensive Income	(128,97.67)	(116,13.15)	(9,98.67)	(74,35.32)
	ii. Income tax relating to items that will be reclassified to profit or loss	32,46.09	29,22.79	2,51.35	18,71.32
	Subtotal (B)	(146,52.68)	(118,64.52)	18,61.88	(39,77.72)
IX.	Other Comprehensive Income for the quarter/ year (net of tax) (A + B)	(137,59.40)	(114,86.27)	33,44.01	(9,23.93)
X.	Total Comprehensive Income for the quarter/ year (VII + VIII)	(101,52.42)	(63,81.17)	(176,09.63)	42,63.93
XI.	Earning per equity shares (face value of ₹ 100/- each)#				
	Basic (in ₹)	(0.36)	(0.05)	(4.98)	(2.46)
	Diluted (in ₹)	(0.36)	(0.05)	(4.98)	(2.46)
	# Not annualised for quarter.				

Notes

- The Company, a Non-Banking Finance Company registered with the Reserve Bank of India (the 'RBI'), is a wholly owned subsidiary of TMF Holdings Limited. TMF Holdings Limited, a wholly owned subsidiary of Tata Motors Limited, is a Non Deposit taking - Systemically Important - Core Investment Company (CIC) and registered with the RBI.
- The above financial results of the Company have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 (the "Act"), and other recognized accounting practices generally accepted in India and are in compliance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Any applicable guidance/ clarifications/ directions issued by the RBI or other regulators are implemented as and when they are issued/ applicable.
- The Board of Directors of Tata Motors Finance Limited ("the Company"/"TMFL") at its meeting held on June 4, 2024, approved a Scheme of Arrangement for amalgamation of the Company with and into Tata Capital Limited (TCL) and their respective shareholders ("the Scheme"), under Sections 230 to 232 read with Section 52 and Section 66 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder.
The Scheme will become effective from the Appointed Date i.e. April 1, 2024 upon fulfilment of all the conditions set out in the Scheme including approval of the Scheme by the Reserve Bank of India and National Company Law Tribunal ("NCLT") and upon the receipt of other applicable regulatory approvals.
Upon the Scheme becoming effective:
(i) The entire business of the Company including all the assets, liabilities and undertakings of the Company will stand transferred and vested in TCL and thereafter TCL will carry on all the business activities undertaken by TMFL.
(ii) From the Appointed Date till the effective date, the business carried on by the Company shall be deemed to have been carried on for and on behalf of and in trust for TCL.
(iii) Equity shares of TCL would be issued to equity shareholders of the Company as per the share exchange ratio determined based on the Valuation Reports and the Fairness Opinions obtained by the Company and TCL.
(iv) The holders of Non-Convertible Debentures (NCDs) of the Company will become the holders of NCDs of TCL on the same terms, including the coupon rate, tenure, redemption price, quantum, nature of security, adequately safeguarding the interest of the NCD holders
- Name of the Company was changed to Tata Motors Finance Limited from Tata Motors Finance Solutions Limited w.e.f. October 26, 2023.
- The financial results for the three months ended June 30, 2024 have been reviewed by the Audit Committee at its meeting held on July 17, 2024 and approved by the Board of Directors at its meeting held on July 18, 2024. The financial results for the three months ended June 30, 2024 have been subjected to a limited review by the Statutory Auditors.
- The Company is primarily engaged in the business of financing and the operations being only in India hence, the disclosure requirements of Ind AS - 108 Segment Reporting are not applicable.
- The amounts for the quarter ended March 31, 2024 are balancing amounts between audited amounts in respect of the full financial year and the published year to date amounts upto the end of third quarter of the respective financial year, which were subject to limited review.
- The Board of Directors 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 TMF Business Services Limited (Formerly known as Tata Motors Finance Limited) into the Company.
Appointed date for the scheme was April 1, 2023. The Reserve Bank of India 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 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.'

(₹ In Lakhs)

Sr.	Particulars	At April 1, 2023
a	Assets taken over	30010,07.99
b	Liabilities taken over	26966,04.72
c	Reserves taken over	2086,54.95
d	Equity shares (32,68,89,441 no. having face value of Rs. 100 each) issued as	3268,89.44
e	Difference between consideration paid and net assets and reserves taken over	(2311,41.12)
f	Cancellation of Investment in Equity shares of Tata Motors Finance Limited	103,70.27
	Demerger reserve (e-f)	(2415,11.39)

9 Ratios:

Particulars (Refer note)	As at June 30, 2024	As at March 31, 2024
(a) Debt-equity ratio	4.64	4.60
(b) Current ratio	1.69	1.72
(c) Long-term debt to working capital	1.21	1.10
(d) Current liability ratio	0.51	0.54
(e) Total debts to total assets	0.79	0.78
(f) Bad debts to accounts receivable ratio	NA	NA
(g) Debtors turnover	NA	NA
(h) Inventory turnover	NA	NA

Particulars	Quarter ended			Year ended
	June 30, 2024	June 30, 2023	March 31, 2024	March 31, 2024
(a) Net profit margin	3.26%	4.48%	(21.24)%	1.04%
(b) Operating margin	NA	NA	NA	NA

10 Sector Specific Ratios:

Particulars	As at June 30, 2024	As at March 31, 2024
(a) Gross stage III / GNPA (Refer Note below)	6.27%	6.08%
(b) Net stage III / NNPA	3.63%	3.44%
(C) Capital risk adequacy ratio (CRAR)	19.66%	20.92%

Particulars	Quarter ended			Year ended
	June 30, 2024	June 30, 2023	March 31, 2024	March 31, 2024
(a) Liquidity coverage ratio (LCR)	140.16%	141.98%	139.84%	144.20%

- 11 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 June 30 2024 and March 31 2024, no security cover is required to be maintained.

Particulars	As at June 30, 2024	As at March 31, 2024
(a) Security cover ratio	NA	NA
(b) Asset cover ratio (listed secured debt securities)	NA	NA
(c) Asset cover ratio (unsecured debt)	NA	NA

Signed for Identification

For Borkar & Muzumdar

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Chartered Accountants

For Sundaram and Srinivasan

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Chartered Accountants

For TATA MOTORS FINANCE LIMITED
(FORMERLY KNOWN AS TATA MOTORS
FINANCE SOLUTIONS LIMITED)

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Samrat Gupta
Managing Director & CEO
(DIN - 07071479)

Place: Mumbai
Date: July 18, 2024

TATA MOTORS FINANCE LIMITED (FORMERLY KNOWN AS TATA MOTORS FINANCE SOLUTIONS LIMITED)

Registered office:- Sir H.C. Dinshaw Building, Office No. 14, 4th Floor, 16 Horniman Circle, Fort, Mumbai - 400 001

Fax No. - 91 22 61729619, Tel No. - 91 22 61729600, website www.tmf.co.in

CIN - U65910MH1992PLC187184

Statement of unaudited financial results for the quarter ended June 30, 2024

Additional information required to be submitted in terms of Regulation 52(4) of SEBI Listing Obligations And Disclosure Requirements Regulations, 2015

- 1 Interest service coverage ratio/debt service coverage ratio: Not Applicable.
- 2 Outstanding redeemable preference shares (quantity and value) : The Company does not have outstanding redeemable preference shares, hence this clause is not applicable.
- 3 Debenture Redemption Reserve : Not applicable
- 4 Capital Redemption Reserve: NIL
- 5 Net worth: ₹ 6418,95.78 lakhs
- 6 There was no material deviation in the use of proceeds from issue of Non Convertible Debt Securities.

Signed for Identification

For Borkar & Muzumdar

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Chartered Accountants

For Sundaram and Srinivasan

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Chartered Accountants

**For TATA MOTORS FINANCE LIMITED (FORMERLY
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LIMITED)**

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Samrat Gupta
Managing Director & CEO
(DIN - 07071479)

Place: Mumbai
Date: July 18, 2024