



Date: 2-September-2024

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| BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Tel: 022 - 2272 1233 / 34 Fax: 022 - 2272 2131 / 1072/ 2037 / 2061 / 41 Email: corp.relations@bseindia.com corp.compliance@bseindia.com Scrip Code: 501242 | National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Tel: 022 - 2659 8235 / 36 / 452 Fax: 022 - 2659 8237/ 38 Email: cmlist@nse.co.in Scrip Code : TCIFINANCE |
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Sub: 1. Intimation of 50th Annual General Meeting, and E-voting Information
2. Annual Report for the Financial Year 2023-24

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed herewith, the Annual Report of the Company for the Financial Year 2023-24, containing inter alia, the Notice of the 50th (Fiftieth) Annual General Meeting ("AGM") of the Company scheduled to be held on Thursday, September 26, 2024 at 11.00 a.m. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").

The Annual Report of the Company for the Financial Year 2023-24 (comprising of, inter alia, Audited Standalone Financial Statements, Reports of the Board of Directors and the Statutory Auditors for the Financial Year ended March 31, 2024, Notice of the AGM), is also available on the website of the Company, viz., www.tcifl.in.

Further, remote e-voting facility has been made available to all the members of the Company. The details of remote e-voting are as follows:

- Date and time of commencement of e-voting: From 9.00 a.m. (IST) on Monday, September 23, 2024
- Date and time of end of e-voting: Up to 5.00 p.m. (IST) on Wednesday, September 25, 2024
- Cut-off date for determining the eligibility to vote: Thursday, September 19, 2024
by electronic means or e-voting at the AGM

During this period, the Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date for the purpose of E-voting, i.e., Thursday, September 19, 2024, may cast their votes by remote e-voting.

A copy of annual report for the FY 2023-24 including the Notice convening the meeting is attached.

Kindly take the same on your records and acknowledge.

Thanking You
Yours Faithfully
For **TCI Finance Limited**

S Jasminder Singh
Company Secretary

50th ANNUAL REPORT 2023 - 24



TCI FINANCE LTD.

www.tcifl.in

BOARD OF DIRECTORS

Dr. D R Agarwal- Chairman

Mr. Mahendra Agarwal (Non Executive Non Independent Director) (resigned w.e.f 24th June, 2024)

Mr. Rajesh Kundra

(Independent Director) (resigned w.e.f 13th February, 2024)

Mr. Nitin Chandrakant Desai (Non Executive Independent Director) (cessation w.e.f 8th May, 2024)

Mr. Y S R Rajeev Kumar

(Non Executive Non Independent Director)

Ms. Meera Madhusudan Singh

(Non Executive Non Independent Director)

Mr. Arun Kumar Agarwal

(Non Executive Non Independent Director)

Mr. M. Sreenivasuloo (Non Executive Non Independent Director-appointed w.e.f 6th August, 2024)

Mr. I.M. Usman Sheriff (Non Executive Non Independent Director-appointed w.e.f 6th August, 2024)

KEY MANAGERIAL PERSONNEL

Mr. S. Jasminder Singh (Company Secretary & Compliance Officer - appointed w.e.f 1st Dec, 2023)

Ms. Deeksha Verma (Company Secretary & Compliance Officer - resigned w.e.f 10th Nov, 2023)

Mr. Santhosh Kumar Vohi (Chief Financial Officer w.e.f. 23rd April, 2021)

Mr. Amit Kumar Ray (Manager w.e.f. 23rd April, 2021)

BOARD COMMITTEES:

Audit :

Dr. D R Agarwal - Chairman

Mr. Y S R Rajeev Kumar - Member
(w.e.f. 6th August, 2024)

Ms. Meera Madhusudan Singh - Member

Nomination & Remuneration :

Dr. D R Agarwal - Chairman

Mr. Y S R Rajeev Kumar - Member
(w.e.f. 6th August, 2024)

Ms. Meera Madhusudan Singh - Member
(w.e.f. 6th August, 2024)

Stakeholder Relationship Committee:

Dr. D R Agarwal - Chairman

Mr. Y S R Rajeev Kumar - Member
(w.e.f. 6th August, 2024)

Ms. Meera Madhusudan Singh - Member

Auditors

G D Upadhyay & Co
Chartered Accountants

Secretarial Auditors

M/s Tapasvilal Deora & Associates

Internal Auditors

SVRJ & Co. LLP

CONTENTS

| | Pg. No. |
|---------------------------|---------|
| 1. Notice to Shareholders | 1 |
| 2. Directors' Report | 17 |
| 3. Auditors' Report | 31 |
| 4. Balance Sheet | 84 |
| 5. P & L Account | 85 |
| 6. Cash Flow Statement | 86 |
| 7. Notes on Accounts | 87 |

Registered Office

Plot no-20, Survey No-12, 4th Floor, Kothaguda,
Kondapur, Hyderabad-500 084,

Tel: +91 40 71204284

Fax: +91 40 23112318

Email: investors@tcifl.in

CIN: L65910TG1973PLC031293

Registrar & Share Transfer Agents

Kfin Technologies Limited

Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad – 500 032.

E-mail : mohsin.mohd@kfintech.com

Tel : +91 040 6716 1562

Fax : +91 040 2300 1153

TCI FINANCE LIMITED

CIN: L65910TG1973PLC031293

Regd Office: Plot No. 20, Survey No. 12, 4th Floor, Kothaguda, Kondapur, Hyderabad - 500081, Telangana

Email Id: investors@tcifl.in Ph:04071204284, Website: www.tcifl.in

NOTICE CONVENING 50TH (FIFTIETH) ANNUAL GENERAL MEETING

Notice is hereby given that the 50th (Fiftieth) Annual General Meeting (AGM) of the members of TCI Finance Limited ("the Company") will be held on Thursday 26th September, 2024 at 11:00 A.M IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business.

The Proceedings of the Annual General Meeting ("AGM") shall be deemed to be conducted at the Registered office of the Company at Plot No. 20, Survey No.12, 4th Floor, Kothaguda, Kondapur Hyderabad, Telangana 500081 India.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for year ended March 31, 2024 and the reports of the Director's and Auditor's thereon.
2. To appoint a Director in place of Ms. Meera Madhusudan Singh (DIN: 00415866) who retires from office by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible offers herself for reappointment.

SPECIAL BUSINESS:

3. Reappointment of Mr Dhanpat Ram Agarwal (DIN: 00322861) as Independent Director

To consider and if thought fit, to pass the following resolution as a **Special Resolution** with or without modification:

"RESOLVED THAT pursuant to the provisions of sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 16(1)(b) and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), pursuant to recommendation of the Nomination, Remuneration and Compensation Committee and approval of the Board of Directors of the Company, Mr. Dhanpat Ram Agarwal (DIN: 00322861), who has given his consent for reappointment as an Independent Director of the Company and has also submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. Dhanpat Ram Agarwal (DIN: 00322861) candidature for the office of Director, not liable to retire by rotation, for a second term of five (5) consecutive years commencing from May 9, 2023 up to May 8, 2028 be and is hereby ratified and approved.

RESOLVED FURTHER THAT the Directors and Key Managerial Personnel's of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, incidental and/ or ancillary thereto to give effect to this resolution."

4. Re-designation of Mr. Sri Ram Rajeev Kumar Yeerla (DIN: 08741595) as an Independent Director of the Company for a period of 5 (Five) years:

To consider and if thought fit, to pass the following resolution as a Special Resolution with or without modification:

"RESOLVED THAT pursuant to the provisions of sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 16(1)(b) and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Mr. Sri Ram Rajeev Kumar Yeerla (DIN: 08741595) who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act, as amended from time to time and SEBI Listing Regulations and who is eligible for appointment (re-designation) and for whom the Company has received notice under Section 160(1) of the Act, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 (Five) years effective from August 6, 2024 to August 5, 2029.

RESOLVED FURTHER THAT the Directors and Key Managerial Personnel's of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, incidental and/ or ancillary thereto to give effect to this resolution."

5. Appointment of Mr. M Sreenivasuloo (DIN: 09363406) as Director of the Company

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution with or without modification:

"RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of Companies Act, 2013 (hereinafter referred to as the 'Act') and the rules made there under (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee, Mr. M Sreenivasuloo (DIN: 09363406) who was appointed by the Board of Directors, as an additional director of the Company with effect from 6th August, 2024 under section 161(1) of the Act, and who holds office upto the date of ensuing Annual General Meeting and in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013, has been received in the prescribed manner, be and is hereby appointed as a non-executive and non-independent director, liable to retire by rotation.

RESOLVED FURTHER THAT the Directors and Key Managerial Personnel's of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, incidental and/ or ancillary thereto to give effect to this resolution."

6. Appointment of Mr. I M Usman Sheriff (DIN: 02794895) as Director of the Company

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution with or without modification:

"RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of Companies Act, 2013 (hereinafter referred to as the 'Act') and the rules made there under (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee, Mr. I M Usman Sheriff (DIN: 02794895) who was appointed by the Board of Directors, as an additional director of the Company with effect from 6th August, 2024 under section 161(1) of the Act, and who holds office up to the date of ensuing Annual General Meeting and in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013, has been received in the prescribed manner, be and is hereby appointed as a non-executive and non-independent director, liable to retire by rotation.

RESOLVED FURTHER THAT the Directors and Key Managerial Personnel's of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, incidental and/ or ancillary thereto to give effect to this resolution."

By Order of the Board
for **TCI FINANCE LIMITED**

Dhanpat Ram Agarwal
Chairman
DIN: 00322861

Hyderabad
August 06, 2024

Registered Office:
Plot No.20, Survey No.12,
4th Floor, Kothaguda, Kondapur,

Hyderabad-500084
Tel: +91 040-7120 4284
Fax: +91 040-2311 2318

CIN: L65910TG1973PLC031293

Website: www.tcifl.in

Email: investors@tcifl.in

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its circular dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021 December 14, 2021, May 5, 2022 and December 28, 2022, (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM" or "e-AGM") through video conferencing ('VC') or other Audio Visual Means ('OAVM') without the physical presence of the Members of the Company at a common venue. In accordance with MCA Circulars, provisions of the Companies Act, 2013 ('Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC/ OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC/ OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed thereto.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company is pleased to provide its members the facility to exercise their right to vote on resolutions proposed to be considered at the 50th AGM by electronic means and the business may be transacted through e-voting Services ("Remote e-Voting").
The members who have cast their votes by Remote e-Voting prior to the AGM may also participate in the AGM through VC/ OAVM via link provided in their login ids but shall not be entitled to cast their vote again.
6. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
7. The Explanatory Statement pursuant to Section 102(1) of the Act, setting out material facts concerning the Special Business to be transacted at the AGM, is annexed hereto and forms part of this Notice.
8. Pursuant to requirements of SEBI Listing Regulations in relation to corporate governance and the applicable Secretarial Standards, the information required to be provided in case of retiring by rotation/ seeking appointment, is set out at the Annexure 1 to this Notice.
9. Since the AGM will be held through VC/ OAVM, the Route Map of the venue of the meeting is not annexed hereto.
10. The Company has engaged the services of National Securities Depository Limited (NSDL) as the Authorised Agency for providing remote e-voting facility/ e-voting/ Insta poll facility for casting the votes by the members using an electronic voting system and to provide VC facility for conducting the AGM.
11. In compliance with the aforesaid MCA Circulars and SEBI Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/4 dated January 5, 2023, Notice of the AGM along with the Integrated Annual Report 2023-24 (IAR or Annual Report) is being sent through NSDL via electronic mode to those members whose email addresses are registered with the RTA/ Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website www.tcifl.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL www.evoting.nsdl.com.
12. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting
13. Members seeking any information or clarification on the accounts are requested to send their queries on investors@tcifl.in, in writing, by 19th September, 2024. Replies will be provided in respect of such written queries at the meeting.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, 23rd September, 2024 at 09:00 A.M. and ends on Wednesday, 25th September, 2024 at 5:00 PM. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 19th September, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 19th September, 2024.

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nSDL.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center; margin-top: 20px;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div> |

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login Type | Helpdesk details |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43 |

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cstapasvideora@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Senior Manager - NSDL or Mr. Sagar Ghosalkar, Assistant Manager- NSDL at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@tcifl.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@tcifl.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/1800-1020-990/1800-224-430 or contact Mr. Amit Vishal, Asst. Vice President –NSDL or Mr. Sagar Ghosalkar, Assistant Manager-NSDL at evoting@nsdl.co.in
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@tcifl.in. Questions/ queries received by the Company till 5.00 PM on Friday 20th September, 2024 shall only be considered and responded during AGM.
7. Company reserve the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.
8. Those members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting, shall be eligible to vote through e-voting during the AGM.

Other Instructions:

- (a) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 19th September, 2024. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, only shall be entitled to vote. A person who is not a member as on the cut-off date, should treat the Notice for information purpose only.
- (b) The login ID and password for e-voting is being sent to the members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting by e-mail.

- (c) The facility for voting, the Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the members holding shares as on the cut-off date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.
- (d) Any person who become members of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 19th September, 2024 may obtain the User ID and password for e-voting by sending email intimating DP ID and Client ID / Folio No. at evoting@nsdl.co.in with a copy to investors@tcifl.in . However, if you are already registered with NSDL for e-voting, you can use your existing User ID and password for casting your vote.

The Register of members and share transfer books of the Company will remain closed from Friday, September 20, 2024 to Thursday, September 26, 2024 (both days inclusive) for the purpose of AGM.

- (e) The Scrutinizer, after scrutinising the votes cast at the time of the meeting and through e-voting, will, within stipulated time, make a consolidated scrutinizer's report and submit the same to the Chairman not later than 48 hours from the conclusion of the AGM. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company i.e. www.tcifl.in and on the website of NSDL i.e. <https://www.evoting.nsdl.com/>. The results shall simultaneously be communicated to the Stock Exchanges.
- (f) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Thursday, September 26, 2024.
- (g) Members whose shareholding is in electronic mode are requested to direct notifications about change of address and updates about bank account details to their respective depository participants(s) (DP).
- (h) All documents referred to in the accompanying Notice and the Explanatory Statement can be obtained for inspection by writing to the Company at its email ID investors@tcifl.in till the date of AGM.
- (i) Members who wish to inspect, the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013, can send an email to investors@tcifl.in
- (j) Securities and Exchange Board of India ("SEBI") has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, the Company / KFinTech have stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.
- (k) Members holding shares in physical mode are:
- i. Required to submit their Permanent Account Number (PAN) and bank account details to the Company / KFinTech, if not registered with the Company / KFinTech, as mandated by SEBI by writing to the Company at investors@tcifl.in or to KFinTech at einward.ris@kfintech.com along with the details of folio no., self-attested copy of PAN card, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details) and cancelled cheque.
 - ii. Advised to register the nomination in respect of their shareholding in the Company.
- (l) Members holding shares in electronic mode are:
- i. Requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.
 - ii. Advised to contact their respective DPs for registering the nomination.
 - iii. Requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.

- (m) Non-Resident Indian members are requested to inform KFinTech / respective DPs, immediately of:
- i. Change in their residential status on return to India for permanent settlement.
 - ii. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- (n) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Kfintech/respective DPs immediately.
- (o) Pursuant to Section 101 and Section 136 of the Act read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members holding shares in physical mode and who have not registered/updated their e-mail addresses with the Company are requested to register/update their email addresses by sending a duly signed request letter to the Company's Registrar and Share Transfer Agent Kfintech by providing Folio No. and Name of the Member or may also send an e-mail at investors@tcifl.in . Members holding shares in demat form are requested to register their email address with their Depository Participant(s) only. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.

Details of the Directors proposed to be re-appointed/ appointed at the AGM scheduled to be held on September 26, 2024 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards is given below:

| Name of the Director | Ms. Meera Madhusudan Singh | Mr. Dhanpat Ram Agarwal | Mr. Y S R Rajeev Kumar | Mr. M Sreenivasuloo | Mr. I M Usman Sheriff |
|---|--|---|--|---|---|
| DIN | 00415866 | 00322861 | 08741595 | 09363406 | 02794895 |
| Date of birth Age | 19th April, 1962 62 Years | 13th January, 1959 65 Years | 1st July, 1988 36 Years | 17th Mar., 1963 61 Years | 7th Oct., 1952 71 Years |
| Qualifications | PGDM from Oberoi School of Learning and Development, India. | B.Com, Chartered Accountant, LLB and PH.D | B.Tech and M.Tech from IIT Madras | C o m m e r c e Graduate | Graduate in English Literature |
| Experience (including, expertise in specific functional area) Brief Resume | Ms. Meera Madhusudan Singh, is an industry professional and entrepreneur with over 28 years of experience in building, design, consumer experience, marketing and communications across a myriad of verticals with an extensive experience in the Indian and ASEAN industries. She is the only woman | Dr. Dhanpat Ram Agarwal is the founder director of ITAG Business Solutions Ltd an organization catering to the IPR needs of Research, Scientific and other organization by creating awareness and serving its clients seamlessly for the last 10 years. His present field of specialization is WTO and IPR Laws. He is also founder trustee of IITRADE a research based institute, engaged in the field of research, training and education on International Trade Management and | He has more than 14 years of experience in Product Management Business Development. He had also worked as: a. Head sales in Topper.com, E-Learning startup; b. Product Manager, business development BOSCH; c. Sr. Design | He has more than 38 years of rich experience in the accounts and finance function. He was associated with GATI Ltd till 2021 as Senior Accounts & Finance Manager. Currently, he advises management of various companies on accounts, finance and taxation aspects. | He has around 48 years of industry experience in logistics operations since 1975. He started his career with Transport Corporation of India in 1980 and handled various roles in Managerial Cadre. Presently he is an independent management consulting advising companies on |

| Name of the Director | Ms. Meera Madhusudan Singh | Mr. Dhanpat Ram Agarwal | Mr. Y S R Rajeev Kumar | Mr. M Sreenivasuloo | Mr. I M Usman Sheriff |
|----------------------|--|---|---|---------------------|--|
| | entrepreneur to have successfully contributed to commissioning the first hydro power project of 110 MW at Sikkim in North Eastern India. | Intellectual Property Management with various e-learning programmes. He regularly participates in National & International Seminars on WTO Centric topics and has written several articles and presented papers at different forums. He was recently invited by Japan Government as International Research Scholar for conducting research for three months in the field of IPR on the topic of "International Exhaustion of Patent Rights and Parallel Imports"-A Comparative Study between India and Japan. His earlier publications include "Monograph on World Trade Organisation" and "Global Meltdown- Road Ahead". He has organized several conferences and seminars and delivered talks on various burning issues such as GM Food, Brexit, GST and has been organizing an International Conference on Intellectual Property Rights (IPR) which is known as Global Intellectual Property Convention (GIPC) consecutively for the past 10 years. He is Independent director in several listed companies including Andrew Yule & Co Ltd, a public sector enterprise. He is also the founder trustee of Swadeshi Research Institute and he believes in Swadeshi Economics | Engineer, New Product Development, TVS Motor Company Limited; | | learning and development programs, Domestic express distribution and Network designing |

| Name of the Director | Ms. Meera Madhusudan Singh | Mr. Dhanpat Ram Agarwal | Mr. Y S R Rajeev Kumar | Mr. M Sreenivasuloo | Mr. I M Usman Sheriff |
|--|---|--|--|---|--|
| | | with his open approach towards globalization in the present era of knowledge and technology. His major thrust area of research is exchange rate and Intellectual Property Right, the two pillars which he believes can move India ahead as a strong nation in the World. | | | |
| Terms and conditions of appointment/ Re-appointment | Non-Executive, Non Independent Director, liable to retire by rotation Retiring by rotation in the 50th AGM and has offered herself for re-appointment | Independent Director for a period of 5 years, not liable to retire by rotation | Independent Director for a period of 5 year, not liable to retire by rotation | Non-Executive, Non Independent Director, liable to retire by rotation | Non-Executive, Non Independent Director, liable to retire by rotation |
| Remuneration Proposed to be paid | Nil | Nil | Nil | Nil | Nil |
| Remuneration last drawn including sitting fees,, if any | Remuneration last drawn: Nil Sitting fees: As disclosed in report on corporate governance forming part of this Annual Report. | Remuneration last drawn: Nil Sitting fees: As disclosed in report on corporate governance forming part of this Annual Report. | Remuneration last drawn: Nil Sitting fees: As disclosed in report on corporate governance forming part of this Annual Report. | Remuneration last drawn: Nil Sitting fees: Nil | Remuneration last drawn: Nil Sitting fees: Nil |
| Date of First appointment | 26th March, 2015 | March 14, 1992 | November 12, 2020 | August 6, 2024 | August 6, 2024 |
| Details of shares held in the Company as on 31.03.2024 (including as beneficial owner) | Nil | Nil | Nil | 10,410 | 1,600 |
| Directorship of other Boards as on 31.03.2024 | 1. Kaffee Digital Solutions Private Limited 2. Choiceboard Digital Solutions Private Limited | 1. ITAG Business Solutions Ltd. 2. Lucas Financial Services Pvt. Ltd. 3. Kumpepar Construction Pvt. Ltd. | 1. A v a a n I n t e l l e c t S y s t e m s Limited 2. Well Springs Consulting Pvt. Ltd. | 1. Gati Cargo Management Services Ltd. 2. Coast To Coast Shipping Ltd. | 1. Coast To Coast Shipping Ltd. 2. Gati Ship Ltd. 3. Solaflex Solar Energy Pvt. Ltd. |

| Name of the Director | Ms. Meera Madhusudan Singh | Mr. Dhanpat Ram Agarwal | Mr. Y S R Rajeev Kumar | Mr. M Sreenivasuloo | Mr. I M Usman Sheriff |
|--|--|---|--|---|--|
| | | 4. Style Investment & Properties Pvt. Ltd. 5. Bazaar Style Retail Ltd. | | 3. J u b i l e e Commercial and Trading Pvt. Ltd. | 4. Avaan Intellect Ltd. |
| Membership/ Chairmanships of committees of o t h e r companies (includes only A u d i t Committee and Stakeholders Relationship) | Nil | Nil | Nil | Nil | Nil |
| I n t e r - s e relationship with other Directors, Manager and | Not related to any Director or any KMP | Not related to any Director or any KMP | Not related to any Director or any KMP | Not related to any Director or any KMP | Not related to any Director or any KMP |
| No. of Board M e e t i n g s attended during the year | 5 of 5 | 5 of 5 | 2 of 5 | NA as appointed on 06.08.2024 | NA as appointed on 06.08.2024 |
| Listed entities in which he also holds the directorship and the membership of Committees of the board | Nil | Nil | Nil | Nil | Nil |
| Listed entities from which he has resigned in the past three years | Nil | Barak Valley Cements Ltd. (Resigned on 26.01.2023 as Director) | Nil | Nil | Nil |
| In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements. | NA | Yes | Yes | NA | NA |

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH THE RULES MADE THEREUNDER

In conformity with Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the special business mentioned in the accompanying Notice and should be taken as forming part of the Notice.

Item No.3

Dr. Dhanpat Ram Agarwal was appointed as an Independent Director of the Company pursuant to section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the Annual General Meeting held on August 10, 2018 to hold office up to May 8, 2023 ("first term").

The Nomination & Remuneration Committee (NRC) at its Meeting held on August 6, 2024 after taking into account the performance evaluation of Dr. Dhanpat Ram Agarwal, during his first term of five years and considering his knowledge, acumen, expertise and experience in the respective fields and the substantial contribution made by him during his tenure as an Independent Director since his appointment, has recommended to the Board that continued association of Dr. Dhanpat Ram Agarwal as an Independent Director would be in the interest of the Company.

The performance evaluation of Independent Director was based on various criteria, inter-alia, including attendance at Board and Committee Meetings, skill, experience, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company's business, understanding of industry and global trends etc. He possesses the core skills/expertise/ competencies identified in the Company's business and sectors for it to function effectively. Details of the skills possessed by them are included in the Corporate Governance Report which forms a part of the Annual Report for the financial year ended 31st March, 2024

Based on the above and the performance evaluation report, the NRC and the Board has ratified and recommended the re-appointment of Dr. Dhanpat Ram Agarwal as Independent Director on the Board of the Company, to hold office for the second term of five (5) consecutive years commencing from May 9, 2023 up to May 8, 2028 and not liable to retire by rotation.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Dr. Dhanpat Ram Agarwal for his appointment to the office of Independent Director.

The Company has received a declaration from Dr. Dhanpat Ram Agarwal stating that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). In the opinion of the Board, he fulfill the conditions for appointment as an Independent Director as per the provisions of Companies Act, rules made thereunder & all other applicable provisions and he is independent of the management.

In view of the invaluable contributions made by Dr. Dhanpat Ram Agarwal during his existing tenure, the Board expressed its appreciation for his strategic guidance to the Company's growth and governance.

None of the Directors or KMP or relatives of Directors and KMP, except Dr. Dhanpat Ram Agarwal, are in any way concerned with or interested, financially or otherwise, in the said resolution.

The Board recommends resolution under Item No. 3 to be passed as a Special resolution.

A brief profile of Dr. Dhanpat Ram Agarwal has been included in this notice at Page nos. 10 and 11.

Item No.4

The Members of the Company, at the Annual General Meeting of the Company, held on December 29, 2021, considered, and approved the appointment of Mr. Sri Ram Rajeev Kumar Yeerla (DIN: 08741595) as Non-Executive Non- Independent Director, effective from November 12, 2020.

The Nomination and Remuneration Committee (NRC) of the Board of the Company, at its meeting held on August 6, 2024, has unanimously recommended to the Board, the re-designation of Mr. Sri Ram Rajeev Kumar Yeerla as an

Independent Director for term of 5 (Five) years commencing from August 6, 2024 to August 5, 2029.

The NRC, while recommending the re-designation of Mr. Sri Ram Rajeev Kumar Yeerla, considered various factors, viz., the number of Board Meetings attended by him, his knowledge & experience; his specific skills helping the Board and the Company in attaining its objectives; his participation in the Board deliberations; specialized skills and expertise and his independent judgment in the opinion of the entire Board. The NRC also considered that he possesses the core skills/ expertise/ competencies identified in the Company's business and sectors for it to function effectively. Details of the skills possessed by them are included in the Corporate Governance Report which forms a part of the Annual Report for the financial year ended 31st March, 2024

Based on the recommendation made by the NRC as above, the Board of Directors on August 6, 2024 has approved re-designation of Mr. Sri Ram Rajeev Kumar Yeerla, for term of 5 (Five) years commencing from August 6, 2024 to August 5, 2029, not liable to retire by rotation.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 ("**the Act**") from a Member proposing the candidature of Mr. Sri Ram Rajeev Kumar Yeerla for appointment (re-designation) as an Independent Director of the Company. Mr. Sri Ram Rajeev Kumar Yeerla has given his consent to be appointed (re-designated). Besides, he has also provided a confirmation under Section 149(7) of the Act that he meets the criteria of independence as prescribed, both, under Section 149(6) of the Act read with relevant Rules and under Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and he is independent of the management. In the opinion of the Board, he fulfill the conditions for appointment as an Independent Director as per the provisions of Companies Act, rules made thereunder & all other applicable provisions and he is independent of the management.

None of the Directors or KMP or relatives of Directors and KMP, except Mr. Sri Ram Rajeev Kumar Yeerla, are in any way concerned with or interested, financially or otherwise, in the said resolution.

The Board recommends resolution under Item No. 4 to be passed as a Special resolution.

A brief profile of Mr. Sri Ram Rajeev Kumar Yeerla has been included in this notice at Page nos. 10 and 11.

Item No.5

Appointment of Mr. M Sreenivasuloo (DIN: 09363406) as Director of the Company

Mr. M Sreenivasuloo (DIN: 09363406) has been appointed as an additional director of the Company effective from August 6, 2024. Pursuant to Section 161 of the Companies Act, 2013, he holds office upto the date of the ensuing AGM. In this regard the Company has received a request in writing from a member of a company proposing Mr. M Sreenivasuloo (DIN: 09363406) candidature for appointment as Director of the Company.

The Nomination and Remuneration Committee (NRC) has recommended appointment of Mr. M Sreenivasuloo (DIN: 09363406) as a Non Executive Non Independent Director of the Company. The Board on the recommendation of NRC, the Board proposed to appoint Mr. M Sreenivasuloo (DIN: 09363406) as a Non Executive non Independent Director of the Company subject to the approval of shareholders.

Mr. M Sreenivasuloo (DIN: 09363406) has given necessary disclosures and further his consent to act as director and declaration to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013.

Brief Profile:

Mr. M Sreenivasuloo is a graduate in commerce from Osmania University, Telangana and passed out in the year 1984. He started his career with Transport Corporation of India in 1986 and then with Gati Ltd (post demerger) from 1996 as a Senior Accounts & Finance Manager and served the group till 2021. He has around 38 years of rich experience in accounts and finance function. Currently, he advises management of various companies on the account, finance and taxation aspects.

TCI FINANCE LTD.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. M Sreenivasuloo (DIN: 09363406) as Non-executive - Non-Independent Director of the Company.

Mr. M Sreenivasuloo (DIN: 09363406) is interested in the resolution set out at Item No. 5 of the Notice with regard to his appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are interested in or concerned, financially or otherwise, with the said Resolution.

Directors recommend the resolution as item no. 5 for the approval by the members of the Company as an Ordinary Resolution.

Item No.6**Appointment of Mr. I M Usman Sheriff (DIN: 02794895) as Director of the Company**

Mr. I M Usman Sheriff (DIN: 02794895) has been appointed as an additional director of the Company effective from August 6, 2024. Pursuant to Section 161 of the Companies Act, 2013, he holds office upto the date of the ensuing AGM. In this regard the Company has received a request in writing from a member of a company proposing Mr. I M Usman Sheriff (DIN: 02794895) candidature for appointment as Director of the Company.

The Nomination and Remuneration Committee (NRC) has recommended appointment of Mr. I M Usman Sheriff (DIN: 02794895) as a Non Executive Non Independent Director of the Company. The Board on the recommendation of NRC, the Board proposed to appoint Mr. I M Usman Sheriff (DIN: 02794895) as a Non Executive non Independent Director of the Company subject to the approval of shareholders.

Mr. I M Usman Sheriff (DIN: 02794895) has given necessary disclosures and further his consent to act as director and declaration to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013.

Brief Profile:

Mr. I.M. Usman Sheriff (71 years) is a graduate in English Literature. He started his career with Transport Corporation of India in 1980 and handled various roles in Managerial Cadre. He moved to Gati Limited in 1995 and was the Head Business for Operations North. Presently he is an independent management consultant advising companies on learning and development programs, Domestic express distribution and Network designing. He has around 48 years of industry experience in logistics operations since 1975.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. I M Usman Sheriff (DIN: 02794895) as Non-executive Non-Independent Director of the Company.

Mr. I M Usman Sheriff (DIN: 02794895) is interested in the resolution set out at Item No. 6 of the Notice with regard to his appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are interested in or concerned, financially or otherwise, with the said Resolution.

Directors recommend the resolution as item no. 6 for the approval by the members of the Company as an Ordinary Resolution.

By Order of the Board

for **TCI FINANCE LIMITED**

Dhanpat Ram Agarwal

Chairman

DIN: 00322861

Hyderabad

August 06, 2024

Registered Office:

Plot No.20, Survey No.12, 4th Floor,
Kothaguda, Kondapur, Hyderabad-500084

Tel: +91 040-7120 4284

Fax: +91 040-2311 2318

CIN: L65910TG1973PLC031293

Website: www.tcifl.in

Email: investors@tcifl.in

DIRECTORS' REPORT

To,
The Members of
TCI Finance Limited,

Your Board takes pleasure in presenting the 50th Annual Report of the Company along with the Audited Accounts for the year ended March 31, 2024.

BUSINESS PERFORMANCE/FINANCIAL OVERVIEW

The highlights of the Financial Results are as follows:

(₹ in Lakhs)

| Particulars | F.Y. 2023-2024 | F.Y. 2022-2023 |
|--|----------------|----------------|
| Revenue from Operations | 135.34 | 0.07 |
| Profit/(loss) before Interest, Depreciation & Taxation | 8.84 | (251.03) |
| Financial Charges | 52.31 | 152.97 |
| Depreciation | - | 1.54 |
| Profit/(Loss) before tax | (43.47) | (251.03) |
| Exceptional Items | 4.50 | - |
| Provision for tax: | | |
| Current Tax | | |
| Deferred Tax | - | - |
| Tax relating to earlier years | - | - |
| Profit/(Loss) after tax | (47.97) | (251.03) |
| Balance brought forward from previous year | (2269.49) | (2158.73) |
| Transferred to Reserve Fund | - | - |
| Balance Carried forward | (2134.51) | (2269.49) |

During the Financial Year 2023-24, the Company incurred a loss of Rs. (43.47) Lakhs as against the loss of Rs. (251.03) Lakhs in the previous year. The Loss after Tax is Rs. (47.97) Lakhs as against loss of Rs. (251.03) Lakhs in the previous year.

DIVIDEND

The Board has not recommended payment of dividend for the financial year ended March 31, 2024.

SHARECAPITAL

The authorized share capital of the Company is Rs. 20 Crore divided into 2,00,00,000 equity shares of Rs. 10/-each and paid-up equity share capital as on March 31, 2024 is Rs.12.87 Crore consisting of 12,872,493 equity shares of Rs. 10/- each. There are 13,23,812_ forfeited shares. Details of the same has been disclosed in Note No. 15 of financial statements. There was no public issue, rights issue, bonus issue or preferential issue, etc. during the year under review. The Company has not issued shares with differential voting rights or sweat equity shares.

HOLDING, SUBSIDIARY, ASSOCIATE COMPANIES

During the period under review, the Company has No subsidiary, holding or associate Company.

DEPOSITS

The Company is a Non-Banking Finance Company and therefore the Companies (Acceptance of Deposits) Rules, 2014 are not applicable to the Company. Further the Company is a Non Deposit taking NBFC and hence has not accepted any Deposits from its members or Public during the year under review.

ANNUAL RETURN

In accordance with the provisions of Section 92 of the Companies Act, 2013, a copy of the Annual Return of the Company has been placed on the website of the Company and the same can be accessed at www.tcifl.in

RESERVE

No amount has been transferred to the Reserve Fund for the year ended as on 31st March, 2024. The details of reserves of the Company are disclosed under Note 16 of the financial statements.

NUMBER OF MEETINGS OF THE BOARD AND COMMITTEES

The Board met 5 times during the financial year. The meeting details are provided in Corporate Governance report that forms part of this Annual Report. All meetings were convened in compliance with the Companies Act and SEBI (LODR) Regulations.

During the year under review, there were 6 Audit Committee meetings, 3 Nomination and Remuneration committee meeting, and 1 Stakeholder Relationship Committee meeting

DIRECTORS' RESPONSIBILITY STATEMENT

As required under clause (c) of sub-section (3) of section 134 of the Act, directors, to the best of their knowledge and belief, state that:

- ◆ In the preparation of the Annual Accounts for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ◆ The directors have selected such accounting policies and applied them consistently and made Judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the Company for that period.
- ◆ The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- ◆ The directors had prepared the annual accounts on a 'going concern' basis.
- ◆ The directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- ◆ the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION FROM INDEPENDENT DIRECTORS

The Independent Directors have submitted the declaration of independence, as required pursuant to section 149(7) of Companies Act, 2013, stating that they meet the criteria of Independence as provided in section 149(6) of the said Act and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Board took on record the declaration and confirmation submitted by the independent directors regarding them meeting the prescribed criteria of independence, after undertaking due assessment of the veracity of the same as required under regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In accordance with the provisions of Section 150 of the Act read with the applicable Rules made thereunder, the Independent Directors of the Company have registered themselves in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs, Manesar ["IICA"]. The Independent Directors unless exempted, are required to pass an online proficiency self assessment test conducted by IICA within two years from the date of their registration in the IICA databank with an extension of 1 year.

Pursuant to the above, the Company has received Declarations of compliance under Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, from all the Independent Directors of the Company confirming that they have registered their names in the data bank of Independent Directors maintained with the IICA and unless exempted, also passed the online proficiency self assessment test conducted by IICA.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)

During the year under review, there were no frauds reported by the Statutory Auditors to the Audit Committee or the Board under section 143(12) of the Act.

DIRECTORS' REMUNERATION POLICY AND CRITERIA FOR MATTERS UNDER SECTION 178

The Company has in place a Policy on Remuneration of Directors and the Remuneration Policy for Key Managerial Personnel and Employees of the Company in accordance with the provisions of sub-section (4) of Section 178 of the Act.

The criteria for determining qualifications, positive attributes and independence of a Director and the Remuneration Policies for Directors, Key Managerial Personnel and other employees have been discussed in detail in the Report on Corporate Governance.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company is a NBFC and therefore section 186 of Companies Act, 2013 is not applicable to the Company. The details of loans, Guarantees and investments are given in the Financial Statements.

RBI GUIDELINES

The Company continues to comply with all the applicable regulations prescribed by the Reserve Bank of India ("RBI"), from time to time.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The main business of the Company is financing activities and all loans granted to related parties were in the ordinary course of business.

No new transactions with related parties were entered during the year pursuant to section 188 of the Companies Act, 2013.

In line with the recommendation of the Audit Committee, the Company has a policy to regulate transactions between the Company and its Related Parties, which is also in compliance with the applicable provisions of the Companies Act 2013, the Rules there under and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. This Policy is available on the website of the Company at the following link: <http://www.tcifl.in/pdf/RelatedPartyTransactionPolicy.pdf>

All related party transactions entered by the Company are disclosed in the note no. 41 of the financial statements. The same has been disclosed in the financial statement in compliance with Accounting Standard as applicable.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO:

As the Company is not engaged in the manufacturing activity, the prescribed information regarding compliance of rules relating to conservation of Energy and Technology absorption pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule-8(3) of the Companies(Accounts) Rules, 2014 is not provided.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company does not have any Foreign Exchange Earnings and out go in the year under review.

RISK MANAGEMENT POLICY

The Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. The Board of the Company at regular intervals monitors the financial, operational, legal risk to the Company. There is no risk, which in the opinion of the Board which may threaten the existence of the Company.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of section 135 of the Companies Act, 2013 are not applicable to the Company

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The manner in which the evaluation has been carried out has been explained hereunder:

The evaluation framework for assessing the performance of Directors comprises of various key areas such as attendance at Board and Committee Meetings, quality of contribution to Board discussions and decisions, strategic insights or inputs regarding future growth of the Company and its performance, ability to challenge views in a constructive manner, knowledge acquired with regard to the Company's business/ activities, understanding of industry and global trends, etc.

The evaluations based on questionnaire was prepared which assessed the performance of the Board on select parameters related to roles, responsibilities and obligations of the Board and functioning of the Committees including assessing the quality, quantity and timeliness of flow of information between the company, management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The evaluation criteria for the Directors were based on their participation, contribution and offering guidance to and understanding of the areas which are relevant to them in their capacity as members of the Board.

A separate exercise was carried out by the Nomination and Remuneration Committee of the Board to evaluate the performance of individual Directors who were evaluated on several parameters such as level of engagement and contribution, independence of judgment safeguarding the interest of the Company and its minority shareholders and knowledge acquired with regard to the Company's business/activities.

The Directors have expressed their satisfaction with the evaluation process.

MEETINGS OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors was also held during the financial year for the evaluation of the performance of Non Independent Director, performance of the Chairman of the Company and the Board as whole, taking into account the views of executive and non-executives directors. The Meetings were conducted in an informal manner without the presence of the Whole-time Directors, the Non-Executive Non-Independent Directors, or any other Management Personnel.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Re-appointment/appointment of Directors

In accordance with the requirements of the Act and the Company's Articles of Association, Ms. Meera Madhusudhan Singh (DIN:00415866) retires by rotation and is eligible for re-appointment. The resolution seeking members' approval for her re-appointment forms part of the Notice.

The Board on the recommendation of NRC and in accordance with provisions of the Act and SEBI Listing Regulations has re-appointed Dr. Dhanpat Ram Agarwal (DIN: 00322861) as a Non-Executive Independent Director on the Board for a second term of 5 years, w.e.f. May 9, 2023, subject to approval of Members at this AGM.

The Board on the recommendation of NRC and in accordance with provisions of the Act and SEBI Listing Regulations, has approved the re-designation of Mr. Sri Ram Rajeev Kuma Yeerla (DIN: 08741595) to Non-Executive Non Independent Director to Non-Executive Independent Director on the Board for a tenure of 5 years from August 6, 2024 to August 5, 2029, subject to approval of Members at this AGM.

Based on recommendation of Nomination and Remuneration Committee and in accordance with provisions of the Act and Listing Regulations, Mr. M Sreenivasuloo (DIN: 09363406) and Mr. I M Usman Sheriff (DIN: 02794895) who were appointed as an Additional Directors (Non-Executive) of the Company by the Board of Directors on August 6, 2024, subject to the approval of Members. The resolution seeking members' approval for his appointment forms part of the Notice.

Cessation of Director

Mr. Rajesh Kundra (DIN-08589058) Independent Director, ceased to be Director of the Company with effect from close of business hours on February 13, 2024.

Mr. Mahendra Kumar Agarwal (DIN-00179779), Director ceased to be Director of the Company with effect from close of business hours on June 24, 2024.

The Company places on record its sincere appreciation of the contribution during their tenure on the Board of the Company.

Independent Directors

In terms of Section 149 of the Act, Mr. Dhanpat Ram Agarwal, and Mr. Sri Ram Rajeev Kumar Yeerla are the Independent Directors (IDs) of the Company.

In terms of Regulation 25(8) of the Listing Regulations, all IDs have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based upon the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, the Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs ('IICA')

Key Managerial Personnel (KMP)

In terms of Section 203 of the Act, following are the KMP of the Company as on March 31, 2024:

- ◆ Mr. Amit Kumar Ray, Manager
- ◆ Mr. Santosh Kumar Vohi, Chief Financial Officer
- ◆ Mr. S Jasminder Singh, Company Secretary

Ms. Deeksha Verma (ACS 55924), Company Secretary of the Company resigned with effect from close of business hours on November 10, 2023. The Board places on record its appreciation for the valuable contribution provided by Ms. Verma to the Company. Mr. S Jasminder Singh (ACS 20640) has been appointed as the Company Secretary and designated as KMP of the Company effective December 1, 2023.

Mr. Amit Kumar Ray, was reappointed as Manager for a period of 3 years effective from April 23, 2024 till April 22, 2027. The shareholders approved the re-appointment vide postal ballot held on July 21, 2024.

The term of Mr. V Santosh Kumar, Chief Financial Officer (CFO) was extended for a period of 6 months till December 31, 2024 by the Board. He continues as CFO

DECLARATION BY DIRECTORS

All the Directors of the Company have confirmed that they satisfy the "fit and proper" criteria as prescribed under Chapter XI of RBI Master Direction No. DNBR. PD. 008/ 03.10.119/2016-17 dated 1st September, 2016 and that they are not disqualified from being appointed/ continuing as Directors in terms of section 164(2) of the Companies Act, 2013.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURT OR REGULATORS

During the year under review following significant and material orders passed by the regulators:

1. Reserve Bank of India vide its letter dated 26th November, 2021 directed our company to surrender our Certificate of Registration for voluntary deregistration as NBFC. Because of the reason that we failed to keep the minimum mandatory Net owned fund (NOF). i.e Rs. Two crores. After our written request, vide letter dated 6th December, 2021 RBI granted us further time for augmenting the NOF of the Company as above mentioned. Our company is in continues correspondence with the regulatory authorities and has sought further time for making good all the compliances.
2. Further, a petition vide Petition No. CP NO. 810/241/HDB/2019 was filed by Mrs. Neera Agarwal and 2 others under Section 241 & 242 read with section 130, 213 and 244 of the Companies Act, 2013 before the National Company law Tribunal (NCLT) Hyderabad against our Company alleging oppression and mismanagement. This matter is sub-judice.
3. The CIRP has been completed in Mahendra Investment Advisors Private Limited ("MIAPL") and the company has received an amount of Rs 69.63 lakhs against the claim lodged before RP

RE-CLASSIFICATION

Company received the request from Gati Limited, Promoter Group Company for their re-classification as a Public shareholder in terms of Regulation 31A of SEBI (LODR) Regulations, 2015. The said request was approved by the Board in its meeting held on July 31, 2020 and subsequently by the shareholders in their EGM held on January 30, 2021. The company has made an application to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") and same is currently under process.

INTERNAL FINANCIAL CONTROLS

Your Company has established and maintained a framework of internal financial controls and compliance systems. Based on the same and the work performed by the internal auditors, statutory auditors and external agencies (wherever required) and their views considered by management team and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls with reference to the financial statements were adequate and effective during the financial year 2023-24 and your Company is constantly endeavouring to improve the standards of internal control in various areas and taking steps to strengthen the internal control system to make it commensurate and effective with the nature of its business.

Further, the statutory auditors of your Company have also issued an attestation report on internal control over financial reporting (as defined in section 143 of Companies Act, 2013) for the financial year ended March 31, 2024, which forms part to the Statutory Auditor's Report.

MAINTENANCE OF COST RECORDS

The provisions of Cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, are not applicable to the Company.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24, percentage increase in remuneration of each Director, Chief Financial Officer, Manager and Company Secretary during the financial year 2023-24 are as under:**

| Non-Executive Directors (Refer Note-1) | Ratio to median remuneration | % increase in remuneration in the financial year |
|--|-------------------------------------|---|
| Mr. Dhanpat Ram Agarwal, Chairman-Independent Director | - | - |
| Mr. Mahendra Agarwal, Promoter & (Non-Executive & Non-Independent Director) | - | - |
| Ms. Meera Madhusudan Singh, Non Executive & Non-Independent Director | - | - |
| Mr. Rajesh Kundra, Independent Director | - | - |
| Mr. Rajesh Sharma, Non-Executive & Non-Independent Director | - | - |
| Mr. Y S R Rajeev Kumar Yeerla, Non-Executive & Non-Independent Director | - | - |
| Executive Directors/KMP | | |
| Mr. Amit Kumar Ray, Manager | 1:1 | 18% |
| *Ms. Deeksha Verma, Company Secretary | NA | 7% |
| Mr. Santhosh Kumar Vohi, Chief Financial Officer | 0.60:1 | 7% |
| **Mr. S Jasminder Singh | NA | - |

* Ms Deeksha Verma resigned from the Company w.e.f 10th November, 2023. Hence her remuneration is not comparable.

** Mr. S Jasminder Singh was appointed as Company Secretary of the Company w.e.f 1st December, 2023. Hence, his remuneration is not comparable.

Note 1: The Company had paid only sitting fees to the Directors. Apart from sitting fees there is no other remuneration paid to the Non-Executive Directors. Therefore, the ratio to median remuneration is negligible.

- ii) The percentage increase in the median remuneration of employees in the financial year: 7%
- iii) The number of permanent employees on the rolls of company: 4
- iv) Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year is not applicable as there are no non-managerial personnel whereas the increase in the percentage of managerial remuneration for the same financial year was 10.67%. The same is in line with the Industry Standards.
- v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

The particulars of employees required under section 197 (12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not furnished as there is no employee in receipt of remuneration more than the prescribed limit.

As per ministry of corporate affairs notification no: G.S.R.646(E) regarding amendment of the companies (Appointment and Remuneration of Managerial Personnel) in rule 5 sub rule (2), the statement containing particulars of top ten employees in terms of remuneration drawn as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given below:

| a) Name of the employee | *Deeksha Verma | Amit Ray | V. Santosh Kumar | Y. Santosh | S Jasminder Singh |
|---|--|--|------------------------------|-------------------------------|--|
| b) Designation of the employee | Company Secretary | Manager | CFO | Manager-Finance & Accts. | Company Secretary |
| c) Remuneration received; (₹ in lakhs) | 6,12,468 | 12,08,004 | 7,29,792 | 21,40,020 | 6,66,672 |
| d) Nature of employment, whether contractual or otherwise; | Permanent | Permanent | Permanent | Permanent | Permanent |
| e) Qualification and experience of the employee; | CS Exp: 3.7 years | B.Com (Hons) Exp: 19 years | M.Com Exp: 28 years | CA Exp: 14 years | CS Exp: 17 years |
| f) Date of commencement of employment; | 14-Sept-21 | 03-Apr-2002 | 23-Aug-1994 | 22-Aug-2022 | 01-Dec-2023 |
| g) Age of such employee; | 30 | 44 | 56 | 40 | 45 |
| h) Last employment held by such employee before joining the company | Assistant Company Secy. Prefcom Corporate Advisors LLP | Manager Accounts Gati Kausar India limited | Executive Accounts Gati Ltd. | Paradise Food Court Pvt. Ltd. | Company Secretary GI Hydro Private Limited |
| i) % of equity shares held by the employee in the company; | Nil | 0.00 (1839 Shares) | Nil | Nil | Nil |
| j) Whether any such employee is a relative of any director, and if so, name of such director or manager | No | No | No | No | No |

CORPORATE GOVERNANCE

Pursuant to SEBI Listing Regulations, 2015, a separate chapter titled Corporate Governance has been included in this Annual Report, along with the reports on Management Discussion and Analysis and General Shareholders information. All the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year 2023-24. A declaration to this effect signed by the Manager & CFO of the Company is contained in this Annual Report.

The Manager & CFO have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8) of SEBI, Listing Regulations, 2015

The Certificate from the Practicing Company Secretary of the Company regarding compliance of conditions of Corporate Governance is annexed to this report.

HUMAN RESOURCES

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind your Company's vision. Your Company appreciates the spirit of its dedicated employees.

AUDITORS

a) Statutory Auditors

M/s G.D. Upadhyay & Co., Chartered Accountant, Hyderabad (FRN: 005834S) were appointed as the Statutory Auditors at the 48th AGM for a period of 5 years upto the conclusion of the 53rd AGM of the Company.

The Statutory Audit Report for the year 2023-24 contains the following remarks and the explanation of the management in response of the same.

- i. Auditor raised a concerned regarding claims on the Company by the lenders of Amrit Jal Ventures Private Limited and Gati Infrastructure Bhasmey Power Private Limited aggregating to Rs. 25619.80 Lakhs due to invocation of corporate guarantee given by the Company. Against the said liability, the Company during the financial year 2019-20, considering the disputed nature of claim and unlawful invocation of corporate guarantee made a provision of Rs. 7798.91 Lakhs. As at March 31, 2024, the Company has disclosed the balance amount of liability Rs. 17820.89 Lakhs as contingent liability in its Financial Statements. In the absence of adequate basis for recognition of partial liability, in our opinion the Company ought to have recognised the liability in its books. Had the liability been recognised, the loss for the year and accordingly the other equity will be higher by Rs. 17820.89 Lakhs.

Board Comment:

Response of the management is however given in note no. 29 of the financial statements.

- ii. Further, regarding the invocation of Company's investment in equity shares of Gati Limited pledged as security for the credit facilities availed from Godavari Commercial Services Private Limited (Godavari), one of the lenders to the Company. However, the Company continued to present the said equity shares as investment at fair value as at March 31, 2022 despite invocation for the reasons stated in the said note. Fair value of the invoked shares considered as an asset aggregates to Rs. 930.25 Lakhs. Considering that investments have been sold, the auditors have given a remark in their Audit report that they were unable to comment on the appropriateness of presentation of fair value of said equity shares as investments in the financial statements. Further in view of the uncertainty relating to recoverability of the said investment, auditors unable to comment on the impact, if any, on the loss for the year and other equity as at March 31, 2024.

Board Comment:

Response of the management is given in note no. 28(i) of the financial statement.

- iii. The investments in equity shares of the Company held in Gati Limited pledged for the facilities availed by Amrit Jal Ventures Private Limited (AJVPL). The lenders of AJVPL invoked the pledge and realized their dues. However, the Company continued to treat the said equity shares as investment at fair value as at March 31, 2024 despite

invocation for the reasons stated in the said note. Fair value of the invoked shares considered as an asset which aggregates to Rs.774.41 Lakhs Considering that investments have been sold, we are unable to comment on the appropriateness of presentation of fair value of said equity shares as investments in the financial statements. Further in view of the uncertainty relating to recoverability of the said investment, we are unable to comment on the impact, if any, on the loss for the year and other equity as at March 31, 2024.

Board Comment:

Response of the management is given in note no. 28(iii) of financial statement.

- iv. The preparation of financial statements by the management on a going concern basis for the reason stated therein. In the absence of sufficient and appropriate evidence and the liabilities devolved on the Company upon invocation of guarantees by the lenders of other entities, in our opinion, preparation of financial statements on a going concern is not appropriate. Hence, we are unable to comment on the effect on carrying value of assets and liabilities had the financial statements been prepared not as a going concern.

In view of the matters reported at para (a) to (d) above and considering cumulative effect of these matters on the carrying values of assets and liabilities as at end of the year, we are unable to comment on the effect on the loss for the year ended and the retained earnings, had these matters been given effect in the financial results and financial information for the current year.

Board Comment:

Response of the management given in the note no. 33 of the financial statement.

- v. Note no 31 regarding non recognition of interest expense of Rs.62.44 Lakhs for the year ended March 31, 2024 for the reasons stated in the said note. The interest expense not recognised, up to March 31, 2024 aggregates to Rs.398.31 Lakhs. Consequently, loss for the year is lower by Rs.62.44 Lakhs and Other Equity (negative balance) and borrowings are lower by Rs.398.31 Lakhs.
- vi. The Company has received communication from RBI regarding non-reporting of matters reported at para (b), (c) and (d) above and a direction to account the same in the financial statements of March 31, 2020. As the Company received the complaint, post the audit of March 31, 2021, the Company has submitted the revised financial position [i.e. special purpose reporting] by adjusting the above-said qualifications. The financial statements for the current year do not include any adjustments contained in the directions of the RBI. We are unable to comment on effect on presentation and disclosures in the financial Statements the Company followed the directions of the RBI.

Board Comment:

Further, Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments. Further details are also disclosed at various places in this Boards Report.

b) Secretarial Auditors

Pursuant to the provisions of section 204 of the Act and the Rules made thereunder, the Board has appointed M/s Tapasvilal Deora & Associates, Practicing Company Secretary (M. No. 9813, CP No. 13087), to undertake the secretarial audit of the Company. The Secretarial Audit Report for the year 2023-24 as issued by him in the prescribed form MR-3 is annexed to this Report.

Pursuant to amendments under SEBI Listing Regulations, 2015 and SEBI circular dated 8 February 2019, a report on secretarial compliance as required under regulation 24A is being submitted to stock exchanges as obtained from M/s Tapasvilal Deora & Associates for the financial year 2023-24.

The Secretarial Auditors raised the following concerns in their report for the financial year 2023-24:

Secretarial Audit Report:

1. The Company has delayed payment of Annual Listing Fee to BSE and NSE

Board Comment: The Company would in future pay the Annual Listing Fee on or before due dates

2. The Company has not appointed of an executive Director

Board Comment: The Company has appointed Manager under sec 196 of the Companies Act, 2013. Section 196 contemplates appointment of either MD, WTD or Manager, Besides Manager, the Company also has CFO and CS as KMP.

3. (i) The tenure of Mr. Dhanpat Ram Agarwal (DIN: 00322861), Independent Director and Chairman of the Company concluded on 08.05.2023
- (ii) On account of conclusion of tenure of Mr. Dhanpat Ram Agarwal (DIN: 00322861), Independent Director, the Board did not have 6 directors during the year.
- (iii) The composition/ constitution of Audit Committee (Regulation 18), NRC, and SRC was improper on account of conclusion of term of Dr. Dhanpat Ram Agarwal.

Board Comment: The Company is taking necessary steps for reappointing the Director w.e.f 09.05.2023 in the ensuing AGM

4. The Policy on Related party transactions has not been reviewed/ updated in the last 3 years

Board Comment: The Company placed the policy for review of board members in the meeting held on 6th August, 2024.

5. The Company has not submitted prior intimation to BSE of Board Meeting held on 11.05.2023

Board Comment: The Company inadvertently missed submitting the said disclosures to BSE.

6. Non-submission of prior intimation in XBRL mode for the Board Meeting held on 11.05.2023 to BSE and NSE;

Board Comment: The Company inadvertently missed submitting the said disclosures in XBRL mode and would be careful going forward

7. Requisite prior intimation as required under the said regulation for consideration of financial results not given

Board Comment: The Company gave 1 day less intimation due to inadvertence and would be careful going forward.

8. Failure to disclose the outcome of Board Meetings within 30 minutes Board Meeting dates: 11.05.2023 and 08.11.2023

Board Comment: The delay in submission of financial results were due to technical glitches at the Company's end.

9. (a) Statutory Auditors of the Company were not a ICAI Peer Reviewed firm for most of the Year

(b) Financial Results not submitted in the prescribed format

Board Comment: The Statutory Auditors had subjected themselves for Peer Review, however they received the certificate w.e.f. 07.02.2024. The Company inadvertently missed using the correct formats.

10. The Company is not in compliance with respect to certain regulations of SEBI (LODR) Regulations, 2015 on account of non-submission, delayed submission and incomplete submission of following disclosure

- a) Delayed submission of Audit Report along with Financial Results for the year ended 31.03.2023.
- b) Delayed filing of various disclosures in XBRL mode i.e. XBRL not filed within 24 hours of disclosure in PDF mode;
- c) Not disclosed required details pertaining to Large Entities as required under said circular;
- d) Website is not updated
- e) Delayed disclosures on NSE and non-disclosure on BSE
- f) The Company Compliance Certificate submitted by the Company to BSE and NSE has been signed only by the RTA and not by the Company Secretary of the Company
- g) Non submission of letter of resignation of Company Secretary
- h) Non Submission of intimation of Book Closure in XBRL mode for 28.09.2023 and Non filing of impact of Audit Qualifications for 31.03.2023 in XBRL mode

- i) Delayed disclosures in case the value of transaction exceeds Rs. 10 Lakh as per Regulation 7(2) of SEBI (PIT).
Board Comment: Company is in process of devising proper checks and balances to avoid these lapses.
11. The Company has not complied with certain applicable accounting standards as mentioned herein
Board Comment: The Company is of the opinion that the accounting practices followed are in the best interest of the Company.
12. The Company has generally delayed in updation of entries in Structured digital database.
Board Comment: The entries in the Structured Digital Database are entered immediately barring for few instances.
13. Related party transactions without the prior approval of audit committee and shareholders
Board Comment: The transactions were approved by Board and ratified by Audit Committee. The transactions were placed before the members, however the shareholders rejected certain resolutions.
14. The Company has not obtained annual disclosures from all Designated persons in terms of Clause 14 of Schedule B of SEBI (PIT) Regulations, 2015 and has obtained incomplete disclosures from few Designated persons.
Board Comment: Company is in process of devising proper checks and balances to avoid these lapses.
16. (i) The Company has filed Form DNBS-02 for FY 2022-23 with a delay and not filed Form DNBS-10 for FY 2022-2023 with the Reserve Bank of India;
(ii) The Company has not reported appointment/ changes in Directors/ Principal Officers with the Reserve Bank of India;
(iii) The Board has not passed a resolution confirming non-acceptance of public deposits within 30 days of the commencement of the financial year as required under the Master Circular - "Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998" and that the said resolution was passed in the Board Meeting held on May 11, 2023;
(iv) The Company has not submitted the Annual Report for FY 2022-23 to RBI;
Board Comment: Company is in process of devising proper checks and balances to avoid these lapses.
17. The Company has had several discussions regarding the attainment of minimum Net own fund ("NOF") and has requested for further extension of period to fulfil the requirement of minimum NOF;
Board Comment: The Company has requested RBI for extending the time for attaining minimum NOF till 31st March, 2025.
18. (a) The tenure of Mr. Dhanpat Ram Agarwal (DIN: 00322861), Independent Director and Chairman of the Company concluded on 08.05.2023, the Board however continued him and he continued under the same designation and hence the Company is not in compliance with Section 149 of the Act;
(b) On account of conclusion of tenure of Mr. Dhanpat Ram Agarwal (DIN: 00322861), Independent Director, the composition/ constitution of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee was not in accordance with Section 177 and 178 of the Act;
(c) The Company has not filed Form GNL 2 with the Registrar for the AGM held on September 28, 2023 as required under 3(A)(XV) of MCA General Circular No. 14/2020 dated April 08, 2020 (read with subsequent related circulars);
(d) The Notice calling Board Meeting(s) where in Related Party Transactions were deliberated did not have disclosures as required under Section 188 of the Act read with rules made thereunder;
(e) The remuneration of Mr. Amit Kumar Ray, Manager of the Company was increased w.e.f. April 01, 2023 in the Board Meeting held on November 08, 2023, however the approval of members as required U/s. 196(4) of the Act was not obtained
Board Comment: Company is in process of devising proper checks and balances to avoid these lapses.

BOARD COMMITTEES

Detailed composition of the mandatory Board committees namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report. There have been no situations where the Board has not accepted any recommendation of the Audit Committee.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

Pursuant to section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI Listing Regulations, 2015 the company has framed its whistle Blower/vigil mechanism policy.

The Vigil Mechanism policy/Whistle Blower policy provides a mechanism for the Directors/employees of the Company to report, without fear of victimization any unethical behavior, suspected or actual fraud violation of the Code of Conduct, etc. which are detrimental to the organisation's interest.

The purpose of Whistle Blower Policy is to allow the Directors and employees to raise concerns about unacceptable improper practices and/or any unethical practices and/or other genuine concerns being followed in the organization without the employees being necessarily required to inform their superiors and to create awareness amongst employees to report instances of leak of unpublished price sensitive information.

The mechanism protects the whistle blower from any kind of discrimination, harassment, victimization or any other unfair employment practice. The directors in all cases and employees in appropriate or exceptional cases have direct access to the chairman of the audit committee. The company affirms that no employee has been denied access to the Audit Committee. The Vigil Mechanism Policy has been uploaded on the website of the Company at :<http://www.tcifl.in/pdf/VigilMechanismPolicy.pdf>.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters along with details of number of programmes and number of hours spent by each of the Independent Directors during the Financial Year 2023-24, in terms of the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are available on the website of the Company and can be accessed at the web-link: <https://http:www.tcifl.in/investors/famailarisationProgramme>.

ACCOUNTS OF SUBSIDIARY

The Company does not have any Subsidiary.

LISTING

The Company's shares are trading in the dematerialized form on BSE Ltd and NSE Ltd, both having nationwide terminals. The particulars of Shareholding Pattern, Distribution of Shareholding and Share prices are mentioned separately in the Report on Corporate Governance.

MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

MDA is provided as a separate in the annual report.

PRESENTATION OF FINANCIAL STATEMENTS

As per notification no.G.S.R.365(E) dated 30th March 2016,issued by Ministry of Corporate Affairs (MCA) in exercise of power conferred to it under section 133 read with section 469 of the Companies Act, 2013, NBFCs having net worth of Rupees five hundred crore or more are required to comply with the Indian Accounting Standards (Ind AS) in preparation of their financial statements and quarterly financial results for the accounting periods beginning on or after 1st April 2018 with effective transition date of 1st April 2017.

Further, MCA, in exercise of its power under sub-section (1) of section 467 of the Companies Act, 2013, amended Schedule III to Companies Act, 2013, vide the amendment, a new division,viz.'Division III' financial statement format was introduced for Non-Banking Financial Companies effective from 11thOctober 2018.

Accordingly, the financial statements of the Company are prepared as per IND AS.

COMPLIANCE OF SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards i.e. on meetings of the Board of Directors (SS-1) and general meetings (SS-2) read with the MCA circulars granting exemptions in view of the COVID -19 pandemic, issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

Disclosure of agreements binding the Company- No agreements are there which binding on the Company.

GENERAL

- i) During the year under review there was no change in nature of business.
- ii) Material Changes and Commitment effecting the financial position of the 'Company'.
The CIRP initiated against Mahendra Investment Advisors Private Limited ("MIAPL") before NCLT, Hyderabad Bench has been completed and the Company has received an amount of Rs 69.62 Lakhs towards the claim lodged before IRP as final settlement.
- iii) Your Company has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the year under review there were no cases filed under the Act. The Company is not required to form Internal Complaint Committee;
- iv) There is no proceeding pending against the Company under the Insolvency and Bankruptcy code, 2016;
- v) There was no instance of one-time settlement with any Bank or financial institution.

ACKNOWLEDGEMENT

Your Directors wish to express their sincere appreciation for the support and cooperation, which the Company continues to receive from its clients, Banks, Government Authorities, Financial Institutions and associates and are grateful to the shareholders for their continued support to the Company. Your Directors place on record their appreciation for the contributions made and the efforts put in by the management team and employees of the Company at all levels.

**By Order of the Board
For TCI FINANCE LIMITED**

Dhanpat Ram Agarwal
Chairman
(DIN:00322861)

Hyderabad
August 06, 2024

Form No. AOC-2

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. There are no contracts or arrangements entered into by the company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 which are not at arm's length basis.
2. Contracts or arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are at arm's length basis:

| S.No. | (a) Name of the Related Party and Nature of Relationship | (b) Nature of contracts/ arrangements / transactions | (c) Duration of the contracts / arrangements / transactions | (d) Salient terms of the contracts or arrangements or transactions including the value, if any: | (e) Date(s) of approval by the Board, if any: | (f) Amount paid as advances, if any: |
|-------|---|---|--|--|--|---|
| 1. | - | - | - | - | - | - |

For and on behalf of the Board

Dr. D R Agarwal
Chairman
DIN: 00322861

Hyderabad
August 06, 2024

FORM NO MR 3

SECRETARIAL AUDIT REPORT

for the financial year ended March 31, 2024

(pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To

The Members,

TCI Finance Limited

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **TCI Finance Limited** bearing CIN: L65910TG1973PLC031293 (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit and as per the explanations given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2024 according to the applicable provisions of:

- i. The Companies Act, 1956 and the Companies Act, 2013 ("**the Act**") and the rules made there under;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - Not Applicable during the audit period;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not Applicable during the audit period;
 - c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not Applicable during the audit period;
 - e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not Applicable during the audit period;
 - f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 - Not Applicable during the audit period;
 - g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- h) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not Applicable during the audit period;
 - i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
- vi. Other Laws specifically applicable to the Company:

The Company is a "loan company" engaged in the business of non - banking financial institution as defined 451(a) of the Reserve Bank of India Act, 1934. As confirmed and certified by the management, Non-Banking Financial (Non - Deposit Accepting or Holding) Companies prudential norms is the only industry specific Act applicable to the Company.

We have also examined compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India and the Listing Regulations as applicable to the Company.

The compliance of the above laws is based on the Management Representation letter issued by the Manager, CFO and the Company Secretary of the Company.

During the Audit Period under review and as per the explanation and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above *except that*:

1. *The Compliance Certificate submitted by the Company to BSE and NSE has been signed only by the RTA and not by the Company Secretary of the Company and hence is not in compliance with Regulation 7(3) of SEBI (LODR) Regulations;*
2. *The Company has delayed in payment of Annual Listing Fees to NSE and BSE for FY 2023-24 and has also delayed in payments to CDSL and NSDL and hence is not in compliance with Regulation 14 of SEBI (LODR) Regulations, 2015;*
3. *The Company has not appointed an Executive Director and hence the Company does not have an optimum combination of Executive and Non-Executive Directors as required under Regulation 17(1)(a) of SEBI (LODR) Regulations, 2015;*
4. *The tenure of Mr. Dhanpat Ram Agarwal (DIN: 00322861), Independent Director and Chairman of the Company concluded on 08.05.2023, the Board however continued him and he continued under the same designation;*
5. *On account of conclusion of tenure of Mr. Dhanpat Ram Agarwal (DIN: 00322861), Independent Director, the Board did not have 6 directors during the year as required under Regulation 17(1)(c) of SEBI (LODR) Regulations, 2015;*
6. *On account of conclusion of tenure of Mr. Dhanpat Ram Agarwal (DIN: 00322861), Independent Director, the composition/ constitution of Audit Committee (Regulation 18), Nomination and Remuneration Committee (Regulation 19) and Stakeholders Relationship Committee (Regulation 20) was improper;*
7. *The Company has not reviewed/ updated its policy on Related party transactions in the last three years and hence is not in compliance with Regulation 23(1) of SEBI (LODR) Regulations, 2015;*
8. *The Company has not submitted prior intimation of Board Meeting held on 11.05.2023 to BSE and hence has not complied with Regulation 29(2) of SEBI (LODR) Regulations, 2015;*
9. *The Company has not submitted prior intimation for Board Meeting held on 11.05.2023 in XBRL mode to BSE and NSE and hence is not in compliance with Regulation 29 of SEBI (LODR) Regulations, 2015 read with BSE Circular No. 20230127-37 and NSE Circular No. NSE/CML/ 2023/11, both dated 27.01.2023;*
10. *The Company has not given requisite prior intimation for the Board Meeting held on 04.08.2023 for consideration of financial results and hence has not complied with Regulation 29(2) of SEBI (LODR) Regulations, 2015;*
11. *The Company has delayed in submission of outcome of Board Meetings held for the approval of financial results for the quarter and year ended 31.03.2023 and quarter ended 30.09.2023 respectively (i.e. outcome submitted after 30*

minutes of conclusion of Board Meeting) and hence is not in compliance with Regulation 30(6) read with Schedule III of SEBI (LODR) Regulations, 2015;

12. The Company is not in compliance with Regulation 33 on account of the following:
 - a) The Statutory Auditors of the Company were not a ICAI Peer Reviewed firm for most of the Year and were Peer reviewed w.e.f. 07.02.2024;
 - b) The Company has not submitted the Financial Results for the quarter and year ended 31.03.2023 in the prescribed format and the same were later uploaded on BSE & NSE in revised format;
 - c) The Company did not submit the Audit Report along with Financial Results for the year ended 31.03.2023. The Audit report was submitted on 30.05.2023 to the BSE and 08.06.2023 to the NSE;
13. The Company has delayed in making disclosures in XBRL mode and hence has not complied with BSE Circular No. DCS/COMP/28/2016-17 for the following disclosures:
 - a) Financial Results for the quarter ended March 31, 2023 and September 30, 2023 to the BSE & NSE;
 - b) Resignation and Appointment of Company Secretary on 08.11.2023 on NSE;
 - c) Appointment of Mr. Nitin Desai as an Additional Director (Independent Category) and Resignation of Mr. Rajesh Kundra as an Independent Director on 13.02.2024;
14. The Company has not complied with Indian Accounting Standards w.r.t accounting of non-current investments, recognition of claims due to invocation of corporate guarantees and non-recognition of interest expense and hence is not in compliance with Regulation 48 of SEBI (LODR) Regulations, 2015;
15. The Company has not disclosed required details pertaining to Large Entities as required under SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 (Chapter XII (3.3)) in the Annual Audited Financial Results;
16. The Company has not updated its website as required under Regulation 46 of SEBI (LODR) Regulations, 2015 and there is generally a delay in website updation;
17. There has been a delay in making disclosures as required under Regulation 31(4) of SEBI (SAST) Regulations, 2011 which were received from Gati Limited (disclosure dated 06.04.2023 was intimated to NSE on 23.05.2023) and Mr. Mahendra Agarwal (disclosure dated 10.04.2023 was intimated to NSE on 14.07.2023) to NSE;
18. The Company has entered entries in its structured digital database post 24 hours of dissemination of information which is not in compliance with Regulation 3 of SEBI (PIT) Regulations, 2015;
19. As required under Schedule III (Part A)(7C) of SEBI (LODR) Regulations, 2015, the Company has not submitted the letter of resignation of the Company Secretary to BSE and NSE and the said letter was later submitted to BSE only;
20. The Company has not submitted the intimation of Book Closure for 28.09.2023 and the Statement of impact of Audit Qualifications for 31.03.2023 in XBRL mode;
21. The Company is one of the promoters of Allcargo Gati limited, the disclosure for release of pledge done on 18.04.2023 was intimated on 25.04.2023 i.e. after 2 trading days, which is not in compliance with Regulation 7(2) of SEBI (PIT) Regulations, 2015. We have also observed certain discrepancies in the disclosures made by the Company;
22. The Company has not obtained annual disclosures from all Designated persons in terms of Clause 14 of Schedule B of SEBI (PIT) Regulations, 2015 and has obtained incomplete disclosures from few Designated persons;
23. The Company has entered into related party transactions without obtaining the prior approval of the Audit Committee and the shareholders as required under Regulation 23 of SEBI (LODR) Regulations, 2015. The transactions were however approved by the Board and ratified by the Audit Committee, however when the transactions were placed before the members, the shareholders rejected certain resolutions;

RBI Non-Compliances

24. *The Company has filed Form DNBS-02 for FY 2022-23 with a delay and not filed Form DNBS-10 for FY 2022-2023 with the Reserve Bank of India;*
25. *The Company has had several discussions regarding the attainment of minimum Net own fund ("NOF") and has requested for further extension of period to fulfil the requirement of minimum NOF;*
26. *The Company has not reported appointment/ changes in Directors/ Principal Officers with the Reserve Bank of India;*
27. *The Board has not passed a resolution confirming non-acceptance of public deposits within 30 days of the commencement of the financial year as required under the Master Circular - "Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998" and that the said resolution was passed in the Board Meeting held on May 11, 2023;*
28. *The Company has not submitted the Annual Report for FY 2022-23 to RBI;*

Companies Act Non-Compliances

29. *The tenure of Mr. Dhanpat Ram Agarwal (DIN: 00322861), Independent Director and Chairman of the Company concluded on 08.05.2023, the Board however continued him and he continued under the same designation and hence the Company is not in compliance with Section 149 of the Act;*
30. *On account of conclusion of tenure of Mr. Dhanpat Ram Agarwal (DIN: 00322861), Independent Director, the composition/ constitution of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee was not in accordance with Section 177 and 178 of the Act;*
31. *The Company has not filed Form GNL 2 with the Registrar for the AGM held on September 28, 2023 as required under 3(A)(XV) of MCA General Circular No. 14/2020 dated April 08, 2020 (read with subsequent related circulars);*
32. *The Notice calling Board Meeting(s) where in Related Party Transactions were deliberated did not have disclosures as required under Section 188 of the Act read with rules made thereunder;*
33. *The remuneration of Mr. Amit Kumar Ray, Manager of the Company was increased w.e.f. April 01, 2023 in the Board Meeting held on November 08, 2023, however the approval of members as required U/s. 196(4) of the Act was not obtained.*

As stated above, the Board of Directors and Management of the Company was not duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Key Managerial Personnel's. The changes in the composition of the Board of Directors that took place during the period under review were also not in compliance with the provisions of the Act.

Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings, agenda and detailed notes on agenda were also sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Whenever required, the Board has also met with a notice shorter than seven days.

Decisions at the Board Meetings, as represented by the management, were taken unanimously and recorded as part of the minutes, however the Minutes and Statutory Registers maintained by the Company needs much strengthening/ improvement.

As per the explanations given to us and the representations made by the Management and relied upon by us, we further report that the Company needs to improve its systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company needs to overall improve compliances of laws applicable to the Company.

We further report that, during the year under review:

- a) BSE Limited levied a fine of Rs. 1,180/- for non-compliance of Regulation 13(1) of SEBI (LODR) Regulations, 2015 w.r.t delay in redressal of investor complaint. We have been informed that the Company has made an application for waiver of penalty;
- b) The Company generally delays in providing/ submitting its response to clarifications/ observations/ discrepancies sought by the Stock exchanges and that there are still certain clarifications/ observations/ discrepancies that are yet to be responded by the Company;
- c) The Company had earlier made an application for delisting of its shares from NSE. The Board in its meeting held on May 11, 2023 decided to continue listing on NSE;
- d) NSE had previously levied fines on the Company for non-compliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015. The Company had made a request to NSE to waive off the said fines and Annual Listing fees. Pursuant to decision of the Company to continue listing of its securities on NSE, NSE vide its letter No. NSE/LIST/SOP/0927 dated October 11, 2023 waived a major portion of the fine and directed the Company to pay an amount of Rs. 2,47,800/- (including GST) by October 18, 2023, the said fine was paid on October 27, 2023;
- e) The Company had earlier received a letter from Reserve Bank of India to surrender the Certificate of Registration for voluntary de-registration as NBFC on account of non-maintenance of minimum net owned funds ("**NOF**"). The Company has been corresponding with RBI and accordingly submitted an action plan. However, RBI directed the Company to submit a concrete action plan for improving the NOF, the Company accordingly submitted an action plan vide its letter dated June 19, 2023 and requested further time till March 31, 2024 to increase the NOF. RBI vide its letter dated July 06, 2023 granted time till March 31, 2024 to achieve the required NOF, subject to no new NBFIL activity to be conducted till the NOF reaches required level. RBI vide its email dated March 21, 2024 directed the company to submit the SAC certifying the PBC and NOF of the Company, the Company submitted the same and requested additional time till March 31, 2025 to increase the NOF;
- f) The Company received a request dated December 04, 2019 from Gati Limited, Promoter Group Company for their re-classification as a Public shareholder in terms of Regulation 31A of SEBI (LODR) Regulations, 2015. The said request was approved by the Board in its meeting held on July 31, 2020 and subsequently by the shareholders in their Extra Ordinary General Meeting held on January 30, 2021. The Company has made an application to BSE and NSE for re-classification, we have been informed that the same is still pending;
- g) A petition under Section 241 & 242 read with Section 130, 213 and 244 of the Companies Act, 2013 was filed against the Company by few shareholders before the Hon'ble National Company Law Tribunal, Hyderabad Bench ("**NCLT**"). The same is pending before NCLT. The Company has informed us that updates of the said petition have been disclosed to the stock exchanges as and when the order sheets are uploaded on the NCLT portal;
- h) There are few cases filed/ pending against the Company and Directors both civil and criminal in nature. The management of the Company has confirmed that the same are in the ordinary course of business and not material in nature. Hence, disclosures regarding the same to exchanges are not required. Further, the Management has confirmed that, except as stated above, the Company timely disseminates all the information to stock exchanges based on its materiality as determined by the authorized KMPs of the Company;
- i) Due to adverse developments in the entities to whom the Company has advanced loans/ given guarantees/ made investments wherein the Company has substantial exposures, these exposures adversely affect the future incomes. These factors substantially affected the operations of the Company and indicate uncertainties relating to the going concern status of the Company;
- j) The Company has filed certain forms with the Ministry of Corporate Affairs with delays upon payment of Additional fee;
- k) Trading in securities of the Company was suspended on both the Stock exchanges for a major period during the review period;

TCI FINANCE LTD.

- l) The Company had conducted a Postal Ballot vide Notice dated April 02, 2024 in which the shareholders have rejected resolutions for:
1. Appointment of Mr. Nitin Chandrakant Desai (DIN: 10497136) as an Independent Director of the Company;
 2. Ratification of Material Related Party Transactions entered during the Financial Year 2023-24;
 3. Approval of Material Related Party Transaction with Prabhu Dayal Agarwal Foundation for continuing/ taking on lease the property; and
 4. Approval of Material Related Party Transaction with Mr. Mahendra Kumar Agarwal to repay an amount not exceeding Rs. 38,00,000/- to Mr. Mahendra Kumar Agarwal.
- m) The compliance by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this Audit since the same has been subject to review by statutory financial audit and other designated professionals.

For Tapasvilal Deora & Associates
Practising Company Secretaries

Hyderabad
August 06, 2024

Tapasvilal Deora
M. No.: F9813
C.P. No.: 13087
UDIN: F009813E000744338
Peer Review No.:1407/2021

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Encl:

Annexure A

Annexure A

To
The Members,
TCI Finance Limited

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

MANAGEMENT'S RESPONSIBILITY

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances based on our audit.

AUDITOR'S RESPONSIBILITY

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

DISCLAIMER

5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For Tapasvilal Deora & Associates
Practising Company Secretaries

Tapasvilal Deora
M. No.: F9813
C.P. No.: 13087

Hyderabad
August 06, 2024

Annexure - 3

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is the application of best management practices, compliances of laws, rules, regulations and adherence to standards to achieve the objects of the Company, enhancing shareholder/ investor value and discharging of social responsibility. The Company does not view Corporate Governance principles as set of binding obligations, but believes in using it as a framework to be followed in spirit.

Your Company's Corporate Governance philosophy is based on transparency, accountability, values and ethics, which forms an integral part of the Management's initiative in its ongoing pursuit towards achieving excellence, growth and value creation. Your Company is committed to highest standards of Corporate Governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders.

Your Company has an active, experienced and a well-informed Board. Through the governance mechanism in the Company, the Board along with its Committees undertakes its fiduciary responsibilities towards all its stakeholders by encompassing best practices to support effective and ethical leadership, sustainability and good corporate citizenship.

The Companies Act, 2013 ("**Act**") and SEBI Listing Regulations have strengthened the governance regime in the country.

1. COMPANY'S PHILOSOPHY

TCI Finance Limited ("**TCIF**" or the "**Company**") believes that timely disclosures, transparent accounting policies and a strong and independent Board go a long way in maintaining good corporate governance, preserving shareholders' trust and maximizing long-term corporate value.

The Company's philosophy on Corporate Governance focuses on the attainment of the highest standards of transparency, accountability, ethics and equity with management flexibility, empowerment and responsiveness in the interest of shareholders, customers, employees, business associates and the society at large.

2. BOARD OF DIRECTORS AND GOVERNANCE FRAMEWORK

In keeping with the commitment of the Management to the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of executive and independent Directors to maintain the independence of the Board and to separate the Board functions of governance and management.

i. Composition

The Board has an optimum combination of Executive and Non-Executive Directors including a Woman Director. As on March 31, 2024, the Company has 6 (six) directors, of which 2 (two) are Independent Directors and 4 (four) are Non-Executive (Non Independent) Directors. The Board's actions and decisions are aligned with the Company's best interests. The Board of Directors along with its Committees provides leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. It is committed to the goal of sustainably elevating the Company's value creation. The Board critically evaluates the Company's strategic direction, management policies and their effectiveness. The Composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with section 149 of the Act.

All the Directors possess requisite qualifications and experience in general corporate management, banking, finance, economics, marketing, digitisation, analytics and other allied fields that allow them to contribute effectively by actively participating in the Board and Committee Meetings, providing valuable guidance and expert advice to the Board and the Management and enhancing the quality of Board's decision making process.

The Chairman being Non-Executive Independent Director, one third of the strength of the Board comprises of the Independent Directors.

ii. None of the Directors on the Board:

- Hold directorship in more than ten public Companies;

- Serve as Director or as Independent Director in more than seven listed entities;
- Is a member in more than ten committees or chairman of more than five committees across all the public companies in which he/ she is a Director.

For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations. Further, necessary disclosures regarding Committee positions in other public companies as on March 31, 2024 have been made by the Directors.

iii. Independent Director

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed there under. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has submitted a declaration that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs ("IICA") in terms of section 150 of the Act read with rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and unless exempted, also passed the online proficiency self-assessment test conducted by IICA or will pass the online proficient self-assessment test within the time frame as prescribed.

iv. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships/ Memberships held by them in other public limited companies as on March 31, 2024 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act.

| Name of the Director | Category | Board | Committees | | | |
|----------------------------------|---|----------|------------|--------------------------|---------------------------------------|---------------------------------|
| | | | Audit | Stakeholder Relationship | Nomination and Remuneration Committee | Borrowing/ Investment Committee |
| Dr. Dhanpat Ram Agarwal | Non-Executive-Independent Director-Chairman | Chairman | Chairman | Chairman | Member | Member |
| Mr. Mahendra Kumar Agarwal | Promoter Non Executive (Non Independent) Director | Member | – | – | Member | Member |
| Ms. Meera Madhusudan Singh | Non Executive (Non Independent) Director | Member | Member | Member | – | – |
| Mr. Nitin Chandrakant Desai | Non Executive (Independent) Director | Member | Member | Member | Chairman | – |
| Mr. Arun Kumar Agarwal | Non Executive Director (Non Independent) | Member | – | – | – | – |
| Mr. Shri Ram Rajeev Kumar Yeerla | Non Executive Director (Non Independent) | Member | – | – | – | – |

Each Director informs the Company on an annual basis about the Board and Board Committee positions he/ she occupies in other listed companies including Chairmanships and notifies changes periodically and regularly during the term of their directorship in the Company.

No. of other Directorships and Committee membership/Chairmanship as on March 31, 2024

| Name | Directorship in listed companies | Directorship in unlisted public companies | Directorship in Private Limited Companies | Committee | |
|-----------------------------|----------------------------------|---|---|------------|--------------|
| | | | | Membership | Chairmanship |
| Dr. Dhanpat Ram Agarwal | 0 | 3 | 3 | 0 | 2 |
| Mr. Mahendra Agarwal | 1 | 0 | 1 | 0 | 0 |
| Ms. Meera Madhusudan Singh | 0 | 0 | 2 | 0 | 0 |
| Mr. Nitin Chandrakant Desai | 0 | 0 | 0 | 0 | 0 |
| Mr. Arun Kumar Agarwal | 0 | 0 | 1 | 0 | 0 |
| Mr. Y S R Rajeev Kumar | 0 | 1 | 1 | 0 | 0 |

Note: For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under section 8 of Companies Act, 2013, have been excluded. Only audit committee and stakeholder's relationship committee are considered for the purpose of reckoning committee positions.

Directorships in listed companies

Name of listed entities where directors of the Company held directorships as on 31 March 2024:

| Name of the Director | Name of Equity Listed entities | Category of Director |
|-----------------------------|--------------------------------|--|
| Mr. Mahendra Kumar Agarwal | 1. TCI Industries Limited | Non Executive (Non Independent Director) |
| | 2. TCI Finance Limited | Non Executive (Non Independent Director) |
| Dr. Dhanpat Ram Agarwal | TCI Finance Limited | Non-Executive (Independent Director) |
| Ms. Meera Madhusudan Singh | TCI Finance Limited | Non-Executive (Non Independent Director) |
| Mr. Nitin Chandrakant Desai | TCI Finance Limited | Non-Executive (Independent Director) |
| Mr. Arun Kumar Agarwal | TCI Finance Limited | Non-Executive (Non Independent Director) |
| Mr. Y S R Rajeev Kumar | TCI Finance Limited | Non-Executive (Non Independent Director) |

v. Number of meetings of the Board

The Board of Directors must meet at least four times a year, with a maximum time gap of 120 days between two Board meetings. During the financial year 2023-24, the Board met five times i.e. May 11, 2023, July 3, 2023, August 4, 2023, November 8, 2023, and February 13, 2024. The necessary quorum was present at all the meetings. All Board Meetings in the Financial Year 2023-24 were held through electronic mode. The proceedings of the Meetings held through electronic mode are duly recorded by the Company.

vi. Attendance record of Directors

The below table gives the composition of the Board, their attendance at the board meetings held during the year and at the previous Annual General Meeting held on September 28, 2023 and also the shareholding:

| Name | Category and Designation | Attendance particulars | | No. of Equity Shares @ Rs. 10/- | Relationship with other Director |
|-------------------------------|---|------------------------|-------------------------------|---------------------------------|----------------------------------|
| | | Board Meetings | Last AGM (September 28, 2023) | | |
| Dr. Dhanpat Ram Agarwal | Non-Executive-Independent Director - Chairman | 5 | Yes | - | - |
| #Mr. Mahendra Agarwal | Promoter and Non Executive (Non Independent) Director | 5 | Yes | 11619 | - |
| *Mr. Rajesh Kundra | Non-Executive-Independent Director | 4 | Yes | - | - |
| Ms. Meera Madhusudhan Singh | Non Executive Director (Non Independent) Director | 5 | Yes | - | - |
| Mr. Y S R Rajeev Kumar | Non-Executive-(Non Independent) Director | 3 | Yes | - | - |
| Mr. Arun Kumar Agarwal | Non-Executive-(Non Independent) Director | 3 | Yes | - | - |
| **Mr. Nitin Chandrakant Desai | Non-Executive (Independent) Director | 1 | Yes | - | - |

* Mr. Rajesh Kundra ceased to be director w.e.f 13th February, 2024

** Mr. Nitin Chandrakant Desai was appointed as Independent Director w.e.f 13th February, 2024. However, the resolution put up for shareholder consent vide postal ballot on May 8, 2024 was not approved and he ceased to be Director w.e.f. May 8, 2024.

Mr. Mahendra Kumar Agarwal resigned from the Board w.e.f 25th June, 2024.

vii. Disclosure of Relationships between Directors inter-se

None of the above directors are relatives of each other.

viii. Number of shares and convertible instruments held by non-executive directors: Nil

ix: Familiarisation Programmes to Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25(7) of the Listing Regulations, the Company has during the year conducted familiarization programs (as part of the Board/ Committee Meetings) for its Directors, which inter alia, included the following:

- ◆ Regulatory updates at Board and Audit Committee Meetings;
- ◆ Prevention of Insider Trading Regulations, SEBI Listing Regulations;
- ◆ Representations on Internal Control over Financial Reporting;
- ◆ News and articles related to the Company to provide update from time to time;
- ◆ Industry outlook at the Board Meetings;

Accordingly, the Company has arranged a technical session to familiarize the Independent Directors about their roles, responsibilities and duties as Independent Directors. The details of the familiarization programme has been disclosed on the website of the Company at <https://tcifl.in/wp-content/uploads/2023/07/Familirization-Programme-2022-23.pdf>

x. Core Skills/Expertise/Competencies

As stipulated under Schedule V(C) of SEBI Listing Regulations, 2015, core skills/ expertise/ competencies as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors as follows:

As on March 31, 2024, the Board comprised of qualified members who bring in the required skills, competence and expertise to enable them to effectively contribute in deliberations at Board and Committee meetings. The below table summarizes skills, expertise and competencies expected to be possessed by our individual Directors, which are key to corporate governance and Board effectiveness:

| Sr. No | Name of the Director, who have such skills/expertise/competence | Category | Core skills/Expertise/Competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) |
|---------------|--|---|---|
| 1. | Dr. Dhanpat Ram Agarwal | Chairman-Independent Director | Finance, Taxation and Law, Corporate Governance, Banking and Security matters |
| 2. | Mr. Mahendra Kumar Agarwal | Promoter - Non Executive - (Non Independent) Director | Management and Strategy |
| 3. | Ms. Meera Madhusudan Singh | Non Executive (Non Independent) Director | Corporate Governance, Ethics and CSR |
| 4. | Mr. Nitin Chandrakant Desai | Independent Director | Finance & Accounts |
| 5. | Mr. Arun Kumar Agarwal | Non-Executive (Non Independent) Director | Finance & Accounts and Marketing |
| 6. | Mr. Y S R Rajeev Kumar | Non-Executive (Non Independent) Director | Technology, Strategy and Finance |

The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries / fields from where they come.

xi. Resignation of Independent Directors

Mr. Rajesh Kundra, Independent Director resigned during the year due to pre-occupations and other personal commitments. In his letter dated February 2, 2024, he has confirmed that there are no material reasons other than these for his resignation

xii. Confirmation regarding Independence of the Independent Directors

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have submitted a declaration that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

Based on the disclosures received from all the Independent Directors, the Board after taking these declarations/ disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

xiii. Information given to the Board

The Company believes that the Board should be provided with all relevant information transparently for the effective functioning of the Company.

During the Financial year 2023-24, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

In terms of quality and importance, the information supplied by the Management to the Board of the Company is far ahead of the list mandated under regulation 17(7) read with Part A of Schedule II to SEBI Listing Regulations, 2015.

In the path of digitization and with a view to ensure its commitment to Go-Green initiative of the Government and with a view to leveraging technology and moving towards paperless systems for the preservation of the environment, the Company in most cases circulates to its Directors, notes for Board/ Committee meetings through an electronic platform thereby ensuring highest standards of security and confidentiality of Board papers.

xiv. Orderly succession to Board and Senior Management

The Board is periodically updated on the orderly succession to the Board and Senior Management. It has satisfied itself that plans are in place for orderly succession for appointments to the Board and to Senior Management.

xv. Separate meetings of the Independent Directors

During the year under review, the Independent Directors met on 28-03-2024 inter alia, to discuss:

- ◆ Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- ◆ Evaluation of the Performance of the chairman of the company, taking into account the views of the Executive and Non-Executive Directors.
- ◆ Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Both the Independent Directors were present at the Meeting.

xvi. The Board periodically reviews the compliance reports of all laws applicable to the Company.**3. COMMITTEES OF THE BOARD**

The Board Committees focus on specific areas and make informed decisions within the authority delegated. Each such Committee is guided by its Charter, which defines the composition, scope and powers. The Committees also make specific recommendations to the Board on various matters whenever required. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval.

The Company has three Board-level Committees as on 31st March, 2024, namely:

1. Audit Committee;
2. Nomination & Remuneration Committee;
3. Stakeholders Relationship Committee;

a) Audit Committee

i. The management is responsible for the Company's internal controls and the financial reporting process while the statutory auditors are responsible for performing independent audits of the Company's financial statements in accordance with generally accepted auditing practices and for issuing reports based on such audits. The Board of Directors has constituted and entrusted the Audit Committee with the responsibility to supervise these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting. The constitution of the Audit Committee also meets with the requirements of Section 177 of the Companies Act, 2013 and regulation 18 of the SEBI Listing regulations.

The Board reviews the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Act and SEBI Listing Regulations, 2015.

The Audit Committee has been granted powers as prescribed under Regulation 18 (2)(c) and reviews all the information as prescribed in Regulation 18(3) read with the Paragraph B of Part C of Schedule II of the Listing Regulations. Generally, all items listed in Regulation 18(3) read with Part C of Schedule II of the Listing Regulations are covered in the terms of reference. The Committee is also authorised to oversee the functioning of the Whistle Blower Policy/ Vigil Mechanism as well as review on a quarterly basis the Report on compliance under the Code of Conduct for Prevention of Insider Trading adopted by the Company pursuant to the PIT Regulations.

The primary responsibilities of the Audit Committee are to:

1. Oversight of financial reporting process
2. Review the quarterly and annual financial results before placing them to the Board along with related disclosures and filing requirements
3. Review the plan, scope and performance of the internal audit function
4. Discuss with management, the Company's major policies with respect to risk assessment and risk management
5. Hold discussions with statutory auditors on the nature and scope of audits and any views that they have about the financial control and reporting processes
6. Ensure compliance with accounting standards and with listing requirements with respect to the financial statements
7. Recommend the appointment and removal of statutory auditors and their fees
8. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process
9. Review related party transactions.

10. Review with the management, the statement of uses/applicaton of funds raised through an issue (public issue, right issue, preferential issue etc.).
11. Scrutiny of inter-corporate loans and investments.
12. Valuation of undertakings and assets of the listed entity, wherever it is necessary
13. Evaluation of internal financial controls and risk management systems.
14. Review with the management performance of the Statutory and Internal Auditors, adequacy of the internal control systems
15. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
16. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board
17. Discussion with internal auditors of any significant findings and follow up thereon.
18. Discussion with Statutory Auditor about the pre and post audit to ascertain any area of concern.
19. To look into the reasons for substantial defaults in the payment to the security holders and creditors.
20. Review the functioning of whistle blower mechanism
21. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate
22. Carrying out any other function.
23. Utilization of loans and/or advances from investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower.
24. Consider impact of schemes on the listed entity and its shareholders.

Out of three, two members including the Chairman are Independent Directors. All the Members of the Audit Committee are non-executive Directors and are financially literate and bring in expertise in the fields of finance, economics, strategy and management. The Audit Committee invites such of the executives, as it considers appropriate. Statutory Auditors and Internal Auditors are generally present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.

The Chairman of the Audit Committee was present at Annual General Meeting held on September 28, 2023 to answer shareholder queries.

ii. Composition, meeting and attendance during the year:

During the financial year 2023-24, the Audit Committee met six times and the gap between two meetings did not exceed 120 days. The necessary quorum was present in the said meetings. All the recommendations of the Audit Committee have been accepted by the Board of Directors. The below table gives the composition and attendance record of the Audit Committee.

| Sr. No. | Name | Position | Date and Attendance in meeting | | | | | |
|---------|-------------------------------|--|--------------------------------|------------|------------|------------|------------|------------|
| | | | 11-05-2023 | 24-05-2023 | 03-07-2023 | 04-08-2023 | 08-11-2023 | 13-02-2023 |
| 1 | *Mr. Rajesh Kundra | Chairman, Non Executive & Independent Director | Yes | Yes | Yes | Yes | Yes | Yes |
| 2. | Dr. D R Agarwal | Member, Non Executive & Independent Director | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. | Ms. Meera Madhusudhan Singh | Member, Non Executive & Non Independent Director | Yes | Yes | Yes | Yes | Yes | Yes |
| 4. | **Mr. Nitin Chandrakant Desai | Member, Non Executive & Non Independent Director | - | - | - | - | - | Yes |

* Mr. Rajesh Kundra ceased to be director w.e.f 13th February, 2024

** Mr. Nitin Chandrakant Desai was appointed as Independent Director w.e.f 13th February, 2024. However, the resolution put up for shareholder consent vide postal ballot on May 8, 2024 was not approved and he ceased to be Director w.e.f. May 8, 2024.

b) Nomination & Remuneration Committee:

The constitution of the Nomination and Remuneration Committee is in compliance with the provisions of Section 178(1) of the Act and Regulation 19 of the Listing Regulations.

The Nomination and Remuneration Committee has been vested with the authority to, inter alia, establish criteria for selection to the Board with respect to the competencies, qualifications, experience, track record and integrity, and recommend candidates for Board Membership, develop and recommend policies with respect to composition of the Board commensurate with the size, nature of the business and operations of the Company.

The terms of reference of this Committee are in line with the regulatory requirements mandated in the Act and Part D of Schedule II of the Listing Regulations.

The scope of the Committee as per the above Schedule includes to decide on and recommend to the Board remuneration packages applicable to the Managerial Personnel & Chief Financial Officer, Functional Heads, Members of the Senior Management/ Core Management Team (including the Chief Financial Officer and Company Secretary), setting out performance parameters for Managerial Personnel, Executive Director & Chief Financial Officer, Functional Heads, Members of the Senior Management/ Core Management Team, and review the same. The Committee is also empowered to identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every Director's performance.

The Board has constituted Nomination & Remuneration Committee consisting of 2 Independent Directors and 1 Non executive Director. The terms of reference of the Committee cover evaluation of compensation and benefits for Executive Director(s), Non-Executive Director(s), KMP, framing of policies and looking after the issues relating to major HR policies.

Extract of terms of reference:

- ◆ Recommend to the Board the set up and Composition of the Board and its Committees;
- ◆ Recommend to the Board the appointment/reappointment of Directors and Key Managerial Personnel;
- ◆ Support the Board and Independent Directors in evaluation of the performance of the Board, its committees and Individual Directors;
- ◆ Oversee familiarization programs for Directors;
- ◆ Recommend to the Board the Remuneration Policy for Directors and Key Managerial Personnel

During the financial year 2023-24, the Nomination and Remuneration Committee met thrice. The necessary quorum was present in the said meetings. The below table gives the composition and attendance record of the Nomination and Remuneration Committee

| Sr. No. | Name | Position | Date and Attendance in meeting | | |
|---------|-------------------------------|--|--------------------------------|------------|------------|
| | | | 11-05-2023 | 08-11-2023 | 13-02-2024 |
| 1 | *Mr. Rajesh Kundra | Chairman, Non Executive & Independent Director | Yes | Yes | - |
| 2. | Mr. Mahendra Agarwal | Member, Non Executive & Non Independent Director | Yes | Yes | Yes |
| 3. | Dr. Dhanpat Ram Agarwal | Member, Non Executive & Independent Director | Yes | Yes | Yes |
| 4. | **Mr. Nitin Chandrakant Desai | Member, Non Executive & Independent Director | - | - | Yes |

* Mr. Rajesh Kundra ceased to be director w.e.f 13th February, 2024

** Mr. Nitin Chandrakant Desai was appointed as Independent Director w.e.f 13th February, 2024. However, the resolution put up for shareholder consent vide postal ballot on May 8, 2024 was not approved and he ceased to be Director w.e.f. May 8, 2024.

As per Section 178(7) of the Act and Secretarial Standard on General Meetings (SS-2), issued by the Institute of Company Secretaries of India, the Chairman of the Committee or, in his absence, any other Member of the Committee authorised by him on his behalf shall attend the General Meetings of the Company. Mr. Rajesh Kundra, Chairman of the Nomination and Remuneration Committee was present at the 49th Annual General Meeting of the Company held on 28th September, 2023.

Performance Evaluation Criteria and Remuneration Policy

Board Evaluation and performance evaluation criteria for Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees.

The manner in which the evaluation has been carried out has been explained hereunder:

The evaluations based on questionnaire was prepared which assessed the performance of the Board on selected parameters related to roles, responsibilities and obligations of the Board and functioning of the Committees including assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The evaluation criteria for the Directors were based on their participation, contribution and offering guidance and understanding of the areas which are relevant to them in their capacity as members of the Board.

A separate meeting of Independent Directors was also held during the financial year for the evaluation of the performance of Non Independent Director performance of the board as whole and that of the Chairman.

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

The Nomination and Remuneration Committee ("NRC") has adopted a policy which, inter alia, deals with the manner of selection of Board of Directors, CEO & Managing Director and senior management and their remuneration.

1. Criteria of Selection of Non-Executive Directors

- a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of Business, marketing, finance, taxation, law, governance and general management.
- b. In case of appointment of Independent Directors, the NRC shall satisfy itself with regard to the criteria of independence of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively, the NRC shall also take into account the capabilities required for an Independent Director.
- c. The NRC shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- d. The NRC shall consider the following attributes/criteria, while recommending to the Board the candidature for appointment as Director:
 - a) Qualification, expertise and experience of the Directors in their respective fields;
 - b) Personal, Professional or business standing;
 - c) Diversity of the Board.
- e. In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

2. Remuneration of Non-Executive Directors

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/ Committee, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

3. Criteria for selection/appointment of CEO & Managing Director

For the purpose of selection of the CEO & MD, the NRC shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendations, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

4. Remuneration for the CEO & Managing Director

- i. At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the NRC and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.
- ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- iii. The remuneration of the CEO & Managing Director is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retrial benefits. The variable component comprises performance bonus.
- iv. In determining the remuneration (including the fixed increment and performance bonus) the NRC shall ensure/consider the following:
 - a) the relationship of remuneration and performance benchmarks is clear;
 - b) balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - c) responsibility required to be shouldered by the CEO & Managing Director, the industry benchmarks and the current trends;
 - d) the Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

5. Criteria for selection /appointment of Senior Management Employees

For the purpose of selection of the **Senior Management Employees**, the NRC shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position.

6. Remuneration Policy for the Senior Management Employees

- I. In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the NRC shall ensure/consider the following:
 - i. the relationship of remuneration and performance benchmark is clear;
 - ii. the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - iii. the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
 - iv. the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individual's performance vis-à-vis KRAs/ KPIs, industry benchmark and current compensation trends in the market.

In accordance with HR recommendation, NRC will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the NRC for its review and approval.

Remuneration of directors

a) Pecuniary relationships/transactions with non-executive directors

Non- Executive Directors including Independent Directors are entitled to payment of sitting fee for the Board and committee meetings attended by them.

b) Criteria of making payments to Non-Executive Directors:

The Sitting fee payable to the Non-Executive Directors during the year under review is in conformity with the applicable provisions of the Companies Act, 2013 and duly considered and approved by the Board.

The Nomination and Remuneration policy of the Company is disclosed on the website of the Company under the path <https://www.tcifl.in/investors/>.

The details of sitting fee paid to the Non-Executive Directors during the financial year 2023-24 are as follows:

In Lakhs

| Name of Directors | Sitting fee (₹) |
|-----------------------------|-----------------|
| Mr. Mahendra Agarwal | Nil |
| Dr. D.R. Agarwal | 2.04 |
| Ms. Meera Madhusudhan Singh | 1.97 |
| Mr. Rajesh Kundra | 1.64 |
| Mr. Arun Kumar Agarwal | 0.35 |
| Mr. Y S R Rajeev Kumar | 0.70 |
| Mr. Nitin Chandrakant Desai | 0.38 |
| TOTAL | 7.08 |

The Company did not propose commission or stock options during the financial year 2023-24.

Other than above, there are no pecuniary or business relationship between the Non-Executive Directors and company and also between all the Directors.

Details of fees paid to Manager:

(In Lakh)

| S.No. | Particular of Remuneration | Mr. Amit Kumar Ray, Manager |
|-------|---------------------------------------|-----------------------------|
| 1 | Gross Salary (Rs.) | 8.72 |
| 2 | Stock Option (No.) | - |
| 3 | Sweat Equity | - |
| 4 | Commission | - |
| 5 | Others, please specify (Variable Pay) | 1.53 |
| | Total (A) | 10.26 |

c) Disclosures with respect to remuneration:

- (i) All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc. for the FY 2022-23: Not applicable as Directors are entitled to payment of sitting fee only.
- (ii) Details of fixed component and performance linked incentives, along with the performance criteria: No Director is paid any fixed component nor performance linked incentives.
- (iii) Service contracts, notice period, severance fees: Nil
- (iv) Stock option details, if any including issue at a discount as well as the period over which accrued and over which exercisable: The Company has not issued any stock options.

c) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee is constituted in line with the provisions of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013 and is empowered to perform the functions of the Board relating to handling of stakeholders' queries and grievances. It primarily focuses on:

1. Review of stakeholders' queries & grievances
2. Review of measures taken for exercise of voting rights by shareholders.
3. Review the performance of the share transfer agent.
4. Review the initiatives taken to reduce the issues related to corporate actions by the shareholders.

Composition, meeting and attendance during the year:

The Committee consists of three Members, headed by Dr. D R Agarwal, Chairman of the Committee. During the financial year 2023-24, the Investors' Grievance Committee met one time viz., on February 13, 2024 and all the members were present for the meeting.

| Sr. | No. | Name | Date and Attendance Position in meeting |
|-----|-----------------------------|--|--|
| | | | 13.02.2024 |
| 1. | Dr. D R Agarwal | Chairman, Non-Executive and Independent Director | Yes |
| 2. | Ms. Meera Madhusudhan Singh | Member, Non-Executive and Non Independent Director | Yes |
| 3. | Mr. Nitin Chandrakant Desai | Member, Non-Executive and Independent Director | Yes |

As per Section 178(7) of the Act and the Secretarial Standards, the Chairperson of the Committee or, in his/her absence, any other Member of the Committee authorised by him/her in this behalf shall attend the General Meetings of the Company. But as per Regulation 20 of SEBI(LODR) Regulations, 2015, the chairperson of the Stakeholders Relationship Committee shall be present at the Annual General Meeting to answer queries of the security holder, therefore, Dr. D R Agarwal, Chairperson of the Committee was present at the 49th Annual General Meeting of the Company held on 28th September, 2023 to answer security holder queries.

An analysis of the investor complaints received and redressed during the financial year 2023-24 is given below:

| S.No. | Nature of Complaint | Received | Disposed | Pending | No. of not solved to the satisfaction of shareholders |
|-------|---|------------|------------|------------|---|
| 1 | Non receipt of Annual Report | 01 | 01 | Nil | Nil |
| 2 | Non receipt of Dividend warrants | Nil | Nil | Nil | Nil |
| 3 | Non receipt of fully paid stickers against payment of allotment money | Nil | Nil | Nil | Nil |
| 4 | Non receipt of Share certificate sent for transfer | 02 | 02 | Nil | Nil |
| | Total | Nil | Nil | Nil | Nil |

Name, designation and address of Compliance Officer:

Mr. S Jasminder Singh
Company Secretary & Compliance Officer
Email: investors@tcifl.in

Address for correspondence

Regd. & Corporate Office:

Plot No. 20, Survey No. 12, 4th Floor,
Kothaguda, Kondapur, Hyderabad - 500 084

d) Risk Management Committee:

Risk Management Committee is not applicable.

Disclosure for Changes in Senior management of the Company - refer 5B of CG Report

4. General Body Meetings

Following are the details of general body meetings for the previous three (3) financial years:

| Date of AGM | Time | Venue | No. of Special resolutions passed |
|--------------------|-----------|---|-----------------------------------|
| December 29, 2021 | 11.00 A.M | Meeting conducted through VC/OAVM pursuant to the MCA Circular. | 0 |
| October 20, 2022 | 11.00 A.M | Meeting conducted through VC/OAVM pursuant to the MCA Circular. | 0 |
| September 28, 2023 | 11:00 A.M | Meeting conducted through VC/OAVM pursuant to the MCA Circular | 0 |

(b) Extraordinary General Meeting:

During the year under review, no Extraordinary General Meeting has been conducted.

(c) Postal Ballot:

During the year under review and year prior to that, the Company has not transacted any business through postal ballot. Further, during the current FY 2024-25, two postal ballot have been conducted i.e April 8, 2024 and June 22, 2024 respectively.

5. Means of Communication Results

- a. **Financial Results:** Prior Intimation of the Board meeting to consider and approve Unaudited / Audited Financial Results of the Company is given to stock exchange and also on the website of the company www.tcifl.in and pursuant to regulation 47, the quarterly and half yearly un-audited and annual results were published in a English Language national daily newspaper(s) as well as regional language newspaper circulating in the state of Telangana. The aforesaid Financial Results are immediately intimated to the Stock Exchanges, after the same are approved at the Board Meeting and also upload on the website of the company i.e www.tcifl.in and are published in the aforesaid newspaper.
- b. **Newspapers:** Financial Express/Business Standard (English) - All India Edition and in Nava Telangana, Vernacular Newspaper (Telugu)
- c. **News releases and presentation to Institutional Investors:** Nil

NSE Electronic Application Processing System (NEAPS):

NEAPS is a web-based application designed by NSE for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

- ◆ Company has filed the application dated 8th September, 2020 for delisting of equity shares from NSE India Ltd. However, board in the board meeting dated 11th May, 2023 decided to continue listing in the NSE India Ltd. as management planning to revive a company. Therefore, Company will continue to be listed on both BSE Ltd and NSE India Ltd.

E-voting

Pursuant to the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company provides e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at the General Meetings.

6. General Shareholder Information

a. 50TH ANNUAL GENERAL MEETING FOR FY 2023-24:

| | |
|-------------------------|---|
| Date | : 26TH September, 2024 |
| Time | : 11:00 a.m |
| Mode of AGM | : Through Video Conferencing |
| Deemed Venue of Meeting | : Plot No.20, Survey No.12, 4th Floor, Kothaguda, Kondapur Hyderabad, Telangana 500084 |
| Remote E-Voting Starts | : Monday, 23rd September, 2024 at 9:00 AM |
| Remote E-voting ends | : Wednesday, 25th September, 2024 at 5:00 PM |
| Venue E-voting at AGM | : Thursday, 26th September, 2024 at 11:00AM |
| Book Closure dates: | : Friday, 20.09.2024 to Thursday 26.09.2024 (both days inclusive). |

The Ministry of Corporate Affairs vide its circulars dated 8th April 2020, 13th April 2020, 5th May 2020, 13th January, 2021, 08.12.2021, 14.12.2021, 05.05.2022 and SEBI vide its circular dated 15th January, 2021, 13-05-2022, 28-12-2022 has provided an option to companies to conduct AGM during the Calendar Year 2023 through 'VC or OAVM' and send financial statements (including board's report, Auditors report and other documents to be attached therewith) through email only. Accordingly, your Company will be conducting the 50th AGM through VC/OAVM facility. Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice of AGM, and this mode will be available throughout the proceedings of the AGM.

Accordingly, the Annual Report of the Company for the year 2023-24 along with Notice of AGM are being sent only by email to the members and all other persons/entities entitled to receive the same. As stated above, 50th Annual General Meeting will be convened through VC or OAVM.

In case of any query and/or help, in respect of attending the AGM through VC/OAVM mode, Members may refer the Help & Frequently Asked Questions (FAQs) and "AGM VC/OAVM" user manual available at the download Section of <https://evoting.nsdl.com> or at the email ID: evoting@nsdl.co.in or on Phone No.: 022-24994890 or call Toll Free No. 1800-1020-990 for any further clarifications.

b. Financial Year of the Company

The financial year covers the period from 1st April to 31st March.

Financial Calendar

| Tentative calendar for declaration of financial results in FY 2023-24 | |
|---|--|
| Results for the quarter ended June 30, 2024 | July /on or before 14th August, 2024 |
| Results for the quarter ended September 30, 2024 | October/on or before 14th November, 2024 |
| Results for the quarter ended December 31, 2024 | January / on or before 14th February, 2024 |
| Results for the year ended March 31, 2025 | April / on or before 30th May, 2025 |

Note: The above dates are indicative

c. Dividend Payment

The Board of Directors has not recommended any dividend on Equity Shares of the Company for the financial year ended 31st March, 2024.

d. Listing on Stock Exchanges

The Company's shares are listed on the following stock exchanges

| Name | Address |
|---|---|
| BSE Ltd. (BSE) | 1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. |
| National Stock Exchange of India Ltd. (NSE) | Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051. |

The listing fee for the FY 2023-24 for both BSE and NSE has been paid whereas for FY 2024-25 only BSE has been paid and NSE is still pending to be paid.

e. Stock Code:

- a) Trading scrip code on BSE : 501242
- b) Trading Symbol on NSE : TCIFINANCE

International Securities Identification Number (ISIN):

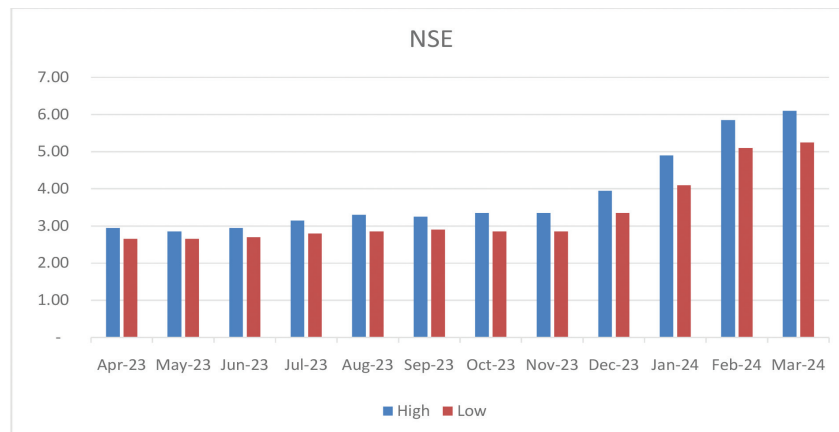
ISIN is a unique identification number of traded scrip. The Company's ISIN for equity shares is INE911B01018.

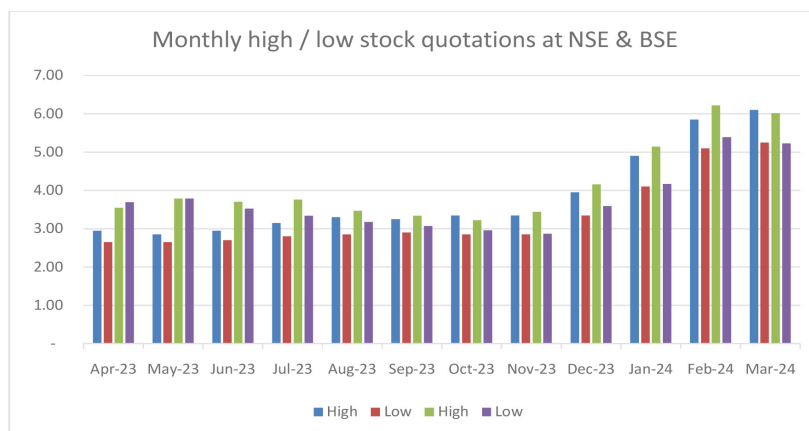
f. Monthly high / low stock quotations at NSE & BSE

(Amount in ₹)

| Months | NSE | | BSE | |
|----------|------|------|------|------|
| | High | Low | High | Low |
| Apr-2023 | 2.95 | 2.65 | 3.55 | 3.69 |
| May-2023 | 2.85 | 2.65 | 3.79 | 3.79 |
| Jun-2023 | 2.95 | 2.70 | 3.70 | 3.52 |
| Jul-2023 | 3.15 | 2.80 | 3.76 | 3.34 |
| Aug-2023 | 3.30 | 2.85 | 3.47 | 3.18 |
| Sep-2023 | 3.25 | 2.90 | 3.34 | 3.07 |
| Oct-2023 | 3.35 | 2.85 | 3.22 | 2.96 |
| Nov-2023 | 3.35 | 2.85 | 3.44 | 2.87 |
| Dec-2023 | 3.95 | 3.35 | 4.16 | 3.59 |
| Jan-2024 | 4.90 | 4.10 | 5.14 | 4.17 |
| Feb-2024 | 5.85 | 5.10 | 6.22 | 5.39 |
| Mar-2024 | 6.10 | 5.25 | 6.02 | 5.23 |

g. Performance of the share price of the Company in comparison to the broad based indices BSE SENSEX and NSE NIFTY:





Further details regarding share price, its movement and all other details are available on the website of the stock exchanges.

h. In case the securities are suspended from trading, the director's report shall explain the reason thereof: No

i. Registrar and Share Transfer Agent

Kfin Technologies Limited

(Formerly known as Karvy Fintech Private Limited)

(Unit: TCI Finance Limited)

Karvy Selenium Tower B, Plot 31-32, Gachibowli

Financial District, Nanakramguda,

Hyderabad - 500 032

Tel. No: 040 67161562

E-mail: mohsin.mohd@kfintech.com

j. Share transfer System

In terms of Regulation 61(4) read with Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form. All requests for transfer and/or dematerialisation of securities held in physical form, should be lodged with the office of the Company's Registrar and Transfer Agent for dematerialisation.

k. Dematerialization of Shares and Liquidity

The Company's scrip forms part of the compulsory dematerialization segment for all investors with effect from August 28, 2000. To facilitate easy access of the dematerialized system to the investors, the Company has signed up with both the depositories namely the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and has established connectivity with the depositories through its Registrar and Transfer Agent, KFin Technologies Private Limited.

91.92% of the total shares have been dematerialized upto March 31, 2024. Dematerialization of shares is done through KFin Technologies Limited and on an average the dematerialization process is completed within 7 days from the date of receipt of a valid dematerialization request along with the relevant document

| Particulars | Shares on March 31, 2024 | % |
|-----------------|--------------------------|------------|
| Physical Shares | 10,40,215 | 8.08 |
| NSDL | 63,15,588 | 49.06 |
| CDSL | 55,16,690 | 42.85 |
| Total | 128,72,493 | 100 |

I. Distribution Schedule as on March 31, 2024:

| Srl # | Category | No.of Members | % to Members | Shares | % to Shares |
|-------|------------------|---------------|--------------|-----------------|-------------|
| 1 | 1 - 5000 | 10449 | 97.69 | 4371499 | 33.96 |
| 2 | 5001 - 10000 | 129 | 1.21 | 922434 | 7.17 |
| 3 | 10001 - 20000 | 65 | 0.61 | 917648 | 7.13 |
| 4 | 20001 - 30000 | 22 | 0.21 | 546053 | 4.24 |
| 5 | 30001 - 40000 | 6 | 0.06 | 208414 | 1.62 |
| 6 | 40001 - 50000 | 5 | 0.05 | 241384 | 1.88 |
| 7 | 50001 - 100000 | 9 | 0.08 | 625713 | 4.86 |
| 8 | 100001 and above | 11 | 0.10 | 5039348 | 39.15 |
| | Total | 10696 | 100 | 12872493 | 100 |

Distribution of Shareholding on the basis of ownership

| No. | Description | No. of shares as on March 31, 2024 | % Equity |
|-----|---------------------------------------|------------------------------------|---------------|
| 1 | Promoter and Promoter Group | 3182360 | 24.72 |
| 2 | Non-Resident Indians | 56147 | 0.44 |
| 3 | Non Resident Indians- Non Repatriable | 35532 | 0.27 |
| 3 | Bodies Corporate, Bank | 938899 | 7.29 |
| 4 | Resident Individuals | 8225806 | 63.90 |
| 5 | Clearing Members | - | - |
| 6 | Directors and relatives | 350 | 0.00 |
| 7 | HUF | 431560 | 3.35 |
| | TOTAL | 128,72,493 | 100.00 |

m. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity: Not Applicable

n. Disclosure of commodity price risks, foreign exchange risk and commodity hedging activities: Not Applicable.

o. Plant location: None

p. Investor Correspondence

For queries relating to shares:

Kfin Technologies Limited.

(Unit TCI Finance Limited)

Karvy Selenium Tower B

Plot 31-32, Gachibowli

Financial District, Nanakramguda

Hyderabad - 500 032

Tel: +91 040 4465 5000- 152

Fax: +91 040 4465 5024

E-mail: mohsin.mohd@kfintech.com

For queries relating to Financial Statements

and other contents of Annual Report:

TCI Finance Limited

Secretarial Department

Plot no.20, Survey no.12, 4th Floor

Kothaguda, Kondapur

Hyderabad - 500 084.

Email: investors@tcifl.in

q. Credit Rating

The Company has neither issued any debt instruments nor undertaken any fixed deposit programme or any scheme or proposal involving mobilisation of funds in India or abroad. As such, the Company does not have credit ratings.

7. Other Disclosures

i) Related Party Transactions

During the Financial Year 2023-24, there were materially significant transactions or arrangements entered into between the Company and its Promoters, Directors or their Relatives or the Management, Subsidiaries, etc. Further, details of related party transactions are presented in Note no. 41 to Standalone Financial Statements in the Annual Report.

ii) Details of non-compliances by the listed entity, penalties, structures imposed on listed entity by Stock Exchange(s) or the Board or any statutory authority:

The Company has received a notice from National Stock Exchange of India Limited on 20th August, 2020, 17th November, 2020, 22nd January, 2021, 15th February, 2021 and 13th September, 2021 for non-compliance with Corporate Governance requirements of the SEBI (LODR) Regulations, 2015 (i.e top 2000 listed entities as per market capitalization should have minimum six directors on the Board w.e.f 1st April, 2020). The Company has submitted a detailed reply to the stock exchange on 7th September, 2020, 19th November, 2020, 27th January, 2021 and 17th February, 2021 respectively. The letters received from the exchange were also placed before the Board in the next board meeting and comments made by the Board were also intimated to the exchange.

The Company has complied with the regulation of SEBI (LODR) Regulations, 2015 w.e.f 12th November, 2020. However, the Company has placed a request before National Stock Exchange of India Limited for waiver of penalty levied in full. Regarding the same NSE officials provided an opportunity of hearing dated 13th October, 2021 with the NSE officials and waiver committee. The request was not considered favourably by the waiver committee of exchange and via mail dated 02nd February, 2022 ordered to pay fine up to the tune of Rs. 9,44,000. After several reminders, as we couldn't comply with the order, the holding of beneficial owner, Mr. Mahendra Kumar Agarwal was frozen on March 03, 2022.

The Company has received a notice from National Stock Exchange for non-compliance under Regulation 23(9) and Bombay Stock Exchange Limited towards non-compliance under Regulation 23(9) and Regulation 24A of SEBI (LODR) Regulations, 2015 on June 28, 2024 imposing a penalty amount of Rs. 5900 and Rs 8260 respectively. The Company has sent a detailed reply and request for the waiver of the fine levied.

Furthermore, During the year under review, there was a non-compliance reported by stock exchange with regard to the provisions of SEBI (PIT) Regulations, 2015, which was compiled and reported to the stock exchange.

(iii) Whistle Blower Policy/Vigil Mechanism

Pursuant to section 177(9) of the Act and regulation 22 of SEBI Listing Regulations, 2015, the Company has framed its Whistle Blower Policy. Further in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Company has put in place a mechanism of reporting illegal or unethical behavior. Employees are free to report, without any fear of victimization, violations of laws, rules, regulations or unethical conduct, violation of the code of conduct, instances of leak or suspected leak of Unpublished Price Sensitive Information which are detrimental to the organization's interest to their immediate supervisor/notified persons. The reports received from any employee will be reviewed by the audit committee. A Policy of vigil Mechanism is available on the website of the Company <https://www.tcifl.in/investors/>. The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.

The Whistle Blower Policy provides for reporting of insider trading violations as well as reporting of instances of leak of Unpublished Price Sensitive Information by the employees.

The Company affirms that no personnel have been denied access to the audit committee during the financial year 2023-24.

(iv) COMPLIANCE

Compliance with Mandatory Requirements

The Company has complied with all mandatory requirements to the extent applicable as specified in Regulations 17 to 27 and Regulation 46 of SEBI (LODR) Regulations, 2015.

Compliance with non-mandatory requirement

Company has also ensured implementation of discretionary requirements items such as:

- ◆ Separate posts of Chairman and Managing Director/CEO.
- ◆ The Internal auditors of the Company, make yearly basis presentations to the Audit Committee on their report and is reporting directly to the Audit Committee.

(v) Web link where policy for determining 'material' subsidiaries is disclosed

The Company does not have any material subsidiary. However the policy adopted by the company is uploaded on website of the Company web link of which is <https://www.tcifl.in/pdf/Policyonmaterialsubsidiaries.pdf>

(vi) The policy for dealing with related party transactions is available at website of the Company at <https://tcifl.in/uploads/2020/05/RP-Policy-TCIF.pdf>

(vii) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) - NA

(viii) A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been enclosed as separately to this report.

(ix) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year- There are no such instances during the year and the Board considered and accepted the recommendations of all the Committees.

(x) Details of total fees paid to Statutory Auditors

The details of total fees for all services paid by the Company, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

(Amount in Lakh)

| Type of service | 2023-24 | 2022-23 |
|------------------|-------------|-------------|
| Statutory Audit | 0.40 | 0.20 |
| Limited review | 0.60 | 0.70 |
| Certification | - | - |
| GST on the above | 0.18 | 0.16 |
| Total | 1.18 | 1.06 |

(xi) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

In terms of the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the number of complaints received during the financial year 2023-24 along with their status of redressal as on financial year ended 31st March, 2023 are as under:

- | | |
|--|-----|
| 1. No. of Complaints filed during the year | Nil |
| 2. No. of Complaints disposed of during the year | Nil |
| 3. No. of Complaints pending as on the end of the financial year | Nil |

(xii) Policy on Determination of Materiality for disclosure: The Company has adopted this policy under Regulation 30 of SEBI (LODR) Regulations, 2015. The policy is available on the website of the Company under <https://tcifl.in/wp-content/uploads/2020/04/Policy-on-Materiality-of-Events>.

(xiii) Disclosure by listed entity and its subsidiaries of "Loans and Advances" in the nature of loans to firms/companies in which director are interested by the name and amount: Not applicable

(xiv) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: Nil

(xiv) Policy on Archival and preservation of Documents: The Company has adopted this policy.

(xv) Code of Conduct: Regulation 17(5) of SEBI Listing Regulations, 2015, requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Act.

The Board of Directors of the Company has laid down a code of conduct for all Board Members and designated senior management of the Company. The Code of Conduct has also incorporated the duties of Independent Directors as laid down in the Companies Act 2013. The code of conduct is available on the website of the Company (www.tcifl.in).

All Board members and senior management personnel have affirmed compliance with the code of conduct. A declaration signed by the Manager and CFO to this effect is enclosed at the end of this report.

The Reserve Bank of India vide its circular dated September, 2008 issued guidelines for all NBFCs to adopt Fair Practice Code.

Your Company adopted the same and is available on the website of the Company <https://tcifl.in/wp-content/uploads/2020/08/Fair-Practice-Code.pdf>

xvi) Declaration by Independent Directors:

The independent directors of the Company have submitted the declaration satisfying all criteria of Independent Director under the Companies Act, 2013 and SEBI Listing Regulations.

The Company issues a formal letter of appointment/re-appointment to independent directors in the manner as provided in the Act. As per regulation 46(2) of SEBI Listing Regulations, 2015, the terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company. The maximum tenure of independent directors is in accordance with the Act and regulation 25(2) of SEBI Listing Regulations, 2015.

xvii) Review of legal compliance reports:

During the year, the Board periodically reviewed compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the Management.

8. Disclosure of Non-Compliance of any requirement of Corporate Governance Report of Sub-Paras (2) to (10) of Part C of Schedule V of SEBI (LODR) Regulations, 2015:

The Company has fully complied with the applicable requirements of Regulation 34(3) of SEBI (LODR) Regulations, 2015 as well as sub-paras (2) to (10) of Part C of Schedule V of SEBI (LODR) Regulations, 2015 and amendments thereof in terms of Corporate Governance Report:

9. Details of adoption of Mandatory and Non- Mandatory requirements pursuant to Regulation 27(1) of SEBI (LODR) Regulations, 2015

The Company has been complying with the discretionary requirements as stipulated in Part E of Schedule II of the SEBI (LODR) Regulations, 2015 which are as follows:

- ◆ **Shareholder Rights:** As the quarterly, half yearly and Annual financial results are published in the newspapers having wide circulation and sent to stock exchanges and uploaded on the website of the company. The Company does not consider it prudent to circulate the same separately to the Shareholders of the Company.
- ◆ **Modified opinion(s) in audit report:** The audit report of the Company's Financial Statements for the year ended 31st March, 2024 is modified and the auditors have issued impact of Audit Qualification.
- ◆ **Separate posts of chairperson and the Managing Director or the Chief Executive Officer:** In company there is no Managing Director and the office of Chairman or the CEO/Manager are held by different persons.
- ◆ **Reporting of Internal Auditor:** The Internal Auditor or his representative is a permanent invitee to the Audit Committee meeting and Internal Auditors of the Company make yearly presentations to the Audit Committee on their reports.

10. Disclosure pursuant to Regulation 17 to 27 and Regulation 46 of SEBI (LODR) Regulations, 2015:

Pursuant to Schedule V of SEBI (LODR) Regulations, 2015, the Company hereby confirms that it has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) of SEBI (LODR) Regulations, 2015 and necessary disclosures thereof have been provided in this Corporate Governance Report.

11. Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity - Nil

12. Certificate under regulation 17(8) of SEBI LODR Regulations, 2015:

The manager and CFO who is also heading finance function of the Company has given certification on financial reporting and internal controls to the Board as required under regulation 17(8) of SEBI LODR Regulations, 2015.

13. Website:

The Company has a functional website www.tcifl.in wherein complete overview of the Company, its Annual Report, financial results, details of its business, shareholding pattern, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, regulatory policies, etc. are uploaded.

14. Declaration signed by the chief executive officer/Manager stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management: This declaration is annexed to this annual report.

15. A Certificate regarding compliance of condition of Corporate Governance is issued by Tapasvilal Deora & Associates, Practicing Company Secretary.

This certificate is annexed to this Annual Report.

16. Code for Insider Trading Practices

The Company has formulated and adopted the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" which inter alia, includes the Policy for Determination of "Legitimate Purpose" and the "Code of Conduct for Prevention of Insider Trading in Securities of TCI Finance Limited" in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("the Regulations").

During the year, the Company has in accordance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) (Third Amendment) Regulations, 2019, amended the "Code of Conduct for Prevention of Insider Trading in Securities of TCI Finance Limited" by including informant mechanism.

The Code of Conduct for Prevention of Insider Trading in Securities of TCI Finance Limited has been formulated to regulate, monitor and ensure reporting of Trading by Designated Persons and their immediate relatives and Connected Persons designated on the basis of their functional role in the Company towards achieving compliance with the Regulations and is designed to maintain the highest ethical standards of trading in Securities of the Company by persons to whom it is applicable. The provisions of the Code are designed to prohibit identified Designated Persons and Connected Persons from trading in the Company's Securities when in possession of Unpublished Price Sensitive Information ("UPSI"). The Code lays down guidelines for procedures to be followed and disclosures to be made while dealing with Securities of the Company and cautions them of the consequences of violations.

The Code referred above is placed on the Company's website www.tcifl.in

17. Policy and procedure for inquiry in case of leak/suspected leak of Unpublished Price Sensitive Information

The Company has formulated the 'Policy and Procedure for inquiry in case of leak/suspected leak of Unpublished Price Sensitive Information'.

The objective of this Policy is to inter alia, strengthen the internal control systems to prevent leak of Unpublished Price Sensitive Information ("UPSI"), restrict/prohibit communication of UPSI with unauthorised person(s) and curb the unethical practices of sharing sensitive information by persons having access to UPSI. The Policy also provides an investigation procedure in case of leak/ suspected leak of UPSI.

18. Compliance with Regulation 34(3) and Part F of Schedule V of the Listing Regulations

As per the provisions of Regulation 39(4) of SEBI Listing Regulations, the unclaimed shares lying in the possession of the Company are required to be dematerialized and transferred into a special demat account held by the Company. Accordingly, unclaimed shares lying with the Company have been transferred and dematerialized in a `TCI Finance Limited - Unclaimed Suspense Account` of the Company. This Account is being held by the Company purely on behalf of the shareholders entitled for these shares.

It may also be noted that all the corporate benefits accruing on these shares like bonus, split etc., if any, shall also be credited to the said `Unclaimed Suspense Account` and the voting rights on these shares shall remain frozen until the rightful owner has claimed the shares. Shareholders who have not yet claimed their shares are requested to immediately approach the Share Department of the Company by forwarding a request letter duly signed by all the shareholders furnishing their complete postal address along with PIN code, a copy of PAN card & proof of address, and for delivery in demat form, a copy of Demat Account - Client Master Report duly certified by the Depository Participant (DP) and a recent Demat Account Statement, to enable the Company to release the said shares to the rightful owner.

The status of equity shares lying in the Suspense Account as on March 31, 2024 is as under:

| S. No. | Particulars | No. of Shareholders | No. of Equity shares held |
|--------|---|---------------------|---------------------------|
| 1 | Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year | 13 | 3900 |
| 2 | Number of shareholders who approached the Company(with complete documentation) for transfer of shares from the Unclaimed Suspense Account during the year | 0 | 0 |
| 3 | Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year; | 0 | 0 |
| 4 | Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year | 13 | 3900 |

Disclosure of Agreements as mentioned under clause (5A) of PARA-A of PART- A of Schedule III of Regulation 30 of SEBI(LODR) Regulations, 2015 - There was no Agreement in the FY 2023-24.

Observance of the Secretarial Standards issued by the Institute of Company Secretaries of India.

The Institute of Company Secretaries of India (ICSI), one of the India's premier professional bodies has issued Secretarial Standards on important aspects like Board Meetings, and General Meetings under series SS-1 and SS-2 which came into force from 1st July, 2015 upon endorsement of the same by Ministry of Corporate Affairs by notification and your company adheres to these standards where ever applicable. The other standards like, Maintenance of Registers on Records, Transmission of Shares, Passing of resolutions by Circulation, Affixing of Common Seal and Board's report which are as on date of report Recommendatory in nature are also adhered to voluntarily to the extent deemed necessary by the Company.

Management Discussion and Analysis:

Management Discussion and Analysis forms part of the Annual Report.

SEBI Complaints Redress System (SCORES):

The investors' complaints are also being processed through the centralized web base complaint redressal system of SEBI. The salient features of SCORES are availability of centralized database of the complaints, uploading online action taken reports by the Company. Through SCORES the investors can view online, the action taken and current status of the complaints. SEBI vide its Circular dated 26th March, 2018 have streamlined the process of filing investor grievances in the SCORES in order to ensure speedy and effective resolution of complaints filed therein. The said Circular can be accessed on the website of SEBI at https://www.sebi.gov.in/legal/circulars/mar-2018/investor-grievance-redressmechanism-new-policy_measures_38481.html

CERTIFICATE ON CORPORATE GOVERNANCE

To.

The Members of**TCI Finance Limited,**

We have examined the compliance of conditions of Corporate Governance by TCI Finance Limited ("**the Company**") for the year ended March 31, 2024, as per the provisions of Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**").

Managements' Responsibility

The compliance of conditions of Corporate Governance including the preparation and maintenance of all the relevant records and documents is the responsibility of the Management. This responsibility also includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated above. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our examination of the Corporate Governance Report in accordance with the established systems and procedures selected by us depending on our judgment, including an assessment of the risks associated with compliance of the Corporate Governance Report with the applicable criteria. The procedures include but are not limited to verification of secretarial records and other information of the Company, as we deem necessary to arrive at an opinion.

The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable for the year ended March 31, 2024 *except that*:

1. *The Company has not appointed an Executive Director as required under Regulation 17(1)(a) of Listing Regulations;*
2. *The tenure of Mr. Dhanpat Ram Agarwal (DIN: 00322861), Independent Director and Chairman of the Company concluded on 08.05.2023, the Board however continued him and he continued under the same designation. The Board is proposing his re-appointment w.e.f. 09.05.2023 in the forthcoming AGM;*
3. *On account of conclusion of tenure of Mr. Dhanpat Ram Agarwal (DIN: 00322861), Independent Director, the Board did not have 6 directors during the year as required under Regulation 17(1)(c) of Listing Regulations;*
4. *On account of conclusion of tenure of Mr. Dhanpat Ram Agarwal (DIN: 00322861), Independent Director, the composition/ constitution of Audit Committee (Regulation 18), Nomination and Remuneration Committee (Regulation 19) and Stakeholders Relationship Committee (Regulation 20) was improper;*
5. *The Company has not reviewed/ updated the Policy on Related party transactions in the last 3 years as required under Regulation 23(1) of Listing Regulations;*

6. *The Company has entered into related party transactions without obtaining the prior approval of the Audit Committee and the shareholders as required under Regulation 23 of the Listing Regulations. The transactions were however approved by the Board and ratified by the Audit Committee, however when the transactions were placed before the members, the shareholders rejected certain resolutions;*

7. *The website of the Company is not updated and there is generally a delay in Updation of website;*

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

Restrictions on Use

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For Tapasvilal Deora & Associates
Practising Company Secretaries

Place: Hyderabad
August 06, 2024

Tapasvilal Deora
C.P. No.: 13087
M. No.: F9813
Peer Review No.: 1407/2021
UDIN: F009813E000795983

DECLARATION BY MANAGER

[Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Amit Kumar Ray, Manager of TCI Finance Limited hereby declare that all members of the Board of Directors and Senior Management have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management of the Company for the year ended 31 March 2024.

Hyderabad
August 06, 2024

for TCI FINANCE LIMITED
Amit Kumar Ray
Manager

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V, Para C, Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

TCI Finance Limited,

We have examined the relevant records, declarations and disclosures of **TCI Finance Limited** bearing CIN L65910TG1973PLC031293 and having its registered office at Plot No. 20, Survey No. 12, 4th Floor, Kothaguda, Kondapur Hyderabad - 500 081, Telangana (hereinafter referred to as "**the Company**") produced before us by the Company for the purpose of issuing this certificate in accordance with Regulation 34(3) read with Schedule V - Para C - Sub Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and on the basis of the explanations, written representation/ declarations received from the Directors, none of the Directors on the Board of the Company as stated below for the financial year ending March 31, 2024, have been debarred or disqualified from being appointed or continuing as directors of companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority:

| S. No. | Name of the Director | DIN |
|---------------|---------------------------------|------------|
| 1 | Mr. Mahendra Kumar Agarwal* | 00179779 |
| 2 | Mr. Dhanpat Ram Agarwal** | 00322861 |
| 3 | Ms. Meera Madhusudan Singh | 00415866 |
| 4 | Mr. Sri Ram Rajeev Kumar Yeerla | 08741595 |
| 5 | Mr. Arun Kumar Agarwal | 01353240 |
| 6 | Mr. Nitin Chandrakant Desai*** | 10497136 |

**Resigned w.e.f. June 24, 2024*

***Tenure concluded on 08.05.2023, the Board however continued him under the same designation and hence the Board is proposing his re-appointment w.e.f. 09.05.2023 in the forthcoming AGM.*

****Appointed w.e.f. 13.02.2024, however shareholders rejected the resolution for his appointment and hence he vacated the office w.e.f. 08.05.2024.*

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

For Tapasvilal Deora & Associates
Practising Company Secretaries

Hyderabad
August 06, 2024

Tapasvilal Deora
C.P. No.: 13087
M. No.: F9813
UDIN:F009813E000795983

CHIEF EXECUTIVE OFFICER (CEO)/CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

- A. We have reviewed financial statements and the cash flow statement for the year ended 31.03.2023 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the quarter which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Thanking You.

For TCI Finance Limited

Hyderabad
August 06, 2024

Santhosh Kumar V
Chief Financial officer

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Industry Structure and Developments

Business Environment

TCI Finance Limited ('TCIFL' or 'the Company'), is a non-deposit taking Non-Banking Financial Company (NBFC) registered with RBI and classified as an NBFC-non deposit taking Company. TCIFL engaged in the business of financial services.

NBFC Sector is passing through a critical phase at this juncture. Recent failures of certain large Non-Banking Financial Companies (NBFCs), severe liquidity strain confronting the sector and the consequent financial stability concerns have brought NBFC regulations back into focus.

INDUSTRY AND ECONOMIC SCENARIO

The Indian economy has been consistently outperforming all other leading economies over the last few years with respect to both GDP growth as well as other macro-economic factors. This is primarily backed by the government's strong infrastructure push and slow-but-steady revival in private consumption as reflected in the uptick in several high frequency indicators such as Index of Industrial Production ('IIP'), GST collections, sales of consumer durables, two-wheelers and passenger cars, and system credit and deposit growth. The economy has also shown significant resilience to external factors such as supply chain disruptions, growing geopolitical tensions, inflationary pressures, and weakness in global demand, further underscoring the strength of its underlying fundamentals.

In FY 2023-24, India continued to surpass all market estimates quarter on quarter and closed the financial year with 8.2% Year on Year ("YoY") growth. We have also demonstrated strong fiscal consolidation in recent years with fiscal deficit for FY 2023-24 declining to 5.6% (vs originally budgeted at 5.9%). Our Monetary Policy Committee ("MPC") has been successful in navigating the high interest rate environment and maintaining the retail inflation within its target range of 4-6% in recent months (4.85% in March 2024). India's external position also remains healthy with forex reserves touching an all-time high of \$651.5 Billion providing it with a comfortable import cover. Despite geopolitical uncertainties, Indian markets have also continued to attract healthy foreign portfolio investment of Rs. 3.4 lakh crore in FY 2023-24. India's growing importance in international markets is further underscored by JPMorgan's announcement regarding India's inclusion in its emerging market debt index in FY 2024-25.

All of these are reflected in S&P Global Ratings' upgrade of India's sovereign rating outlook to 'positive' from 'stable' while retaining the rating at 'BBB-' in May 2024. As per the agency, the rating draws support from India's sound economic fundamentals underpinning the growth momentum in the coming years and the expectation of broad continuity in economic reform and fiscal policies by the government even after the 2024 elections.

The financial services segment, and in particular NBFCs & HFCs, has been a key facilitator of this economic growth. Credit growth has remained robust in FY 2023-24 backed by strong demand from consumers, the Government of India's ("Gol's") push on financial inclusion, and ever-improving access to credit by way of increasing focus on digitalisation across the industry. We believe that we have also reached the peak of this rate-hike cycle and may see some cuts towards the later half of FY 2024-25. These factors, coupled with decade-low Non-Performing Assets ("NPAs") and an actively evolving regulatory framework, pave way for healthy double-digit credit growth in the coming years as well. The growth is likely to be broad-based across segments with some moderation expected in the unsecured products. While margins may see some pressure due to elevated interest rates in the short term, overall the sector is expected to report healthy operating performance in over a longer term.

Opportunities

The biggest opportunity for financial services sector in India currently lies in the sheer size of the economy. India is now the 5th largest economy worldwide and well on its way to become the 3rd largest within this decade. The Gol's infrastructure push, revival in private capex, growth of the SME ecosystem, increasing consumer demand, and potential of demographic dividend are all expected to drive this growth. Further, the current credit penetration in India - Credit to GDP ratio - remains low at ~70% compared to other larger economies; this is expected to sharply increase over the next decade

backed by rapidly developing digital public infrastructure and a notable improvement in the credit appetite seen across segments. All of this indicates a significant market opportunity of INR 500 lakh crore+ for all lenders in the country.

With increasing financial inclusion, a large part of this opportunity shall arise from the deeper markets, where both banks and non-banks have started making significant inroads. This has led to both larger and smaller players alike to increasingly adopt a 'phygital' strategy allowing them to cater to this largely new-to-credit base in a cost-effective manner, leveraging both physical presence alongwith superior digital capabilities. Further, the sector is also witnessing a collaboration between incumbents and new age FinTechs for both capability building as well as distribution that has helped the former to provide their customers with a seamless experience, creating win-win propositions for all stakeholders involved in the lending lifecycle.

Threats

While there's every reason to be optimistic about India's growth story, the sector may face some headwinds in the coming year - elevated cost of funds, margins under pressure, availability of funds for smaller non-banks, and some moderation in asset quality. While the current macroeconomic environment has been stable with overall inflation well within the target range since the start of the year, the rate cuts are not expected to kick-in at least till later part of the year. As a result, margins are expected to remain under pressure. In addition, the lower-than-expected deposit mobilization for the banks may impact their borrowing costs as well as their ability to extend credit to various sectors including NBFCs. This may further impact the non-banks. Furthermore, with recent increase in the unsecured portfolio for several players, the sector may see some moderation in the asset quality.

Segment-wise or product-wise performance of the Company

The Company is a NBFC. It is engaged in the business of financing which is the only segment in the Company. Hence, the results for the year under review pertain to only financing activity.

The Company's total Revenue from Operations during the year were Rs. 135.34 Lakhs and the net loss is Rs. (47.97) Lakhs as against Rs. (251.03) lakhs respectively in the previous year.

Outlook

The Company being an investment company seeks opportunity in the capital market. The Volatility in stock indices represents both an opportunity and challenge for the company. We continue to see significant opportunities in the market for long term.

The company carry shares and securities in its books. The effect of mark to market thereon have been taken into account for the year. The Company will continue to monitor for any material changes to future economic conditions.

Risks and concerns

The Company recognizes that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and effective manner. The Company is an NBFC Company registered under RBI and categorized as a Loan Company. In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks for the Company are financial risks, credit risk, liquidity risk, market risk, etc.

Risk mitigation is also an exercise aiming to reduce the loss or injury arising out of various risk exposures. The Company adopts a systematic approach to mitigate risks associated with accomplishment of objectives, operations, revenues and regulations. The Company believes that this would ensure mitigating risks proactively and help to achieve stated objectives.

The NBFC industry in general faces the risk of re-entry and new entry of players and existence of several unorganized regional players increasing the competition which mainly affects the asset quality. This is further characterized by captive NBFCs floated by other business houses. The ever existing systemic and delinquency risks and fluctuations in interest rates and risk weight make the companies more vulnerable. Deployment of funds in sensitive and volatile sectors increases the risk exposure while concentration risk increases dependency.

Internal Control Systems and their adequacy

Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. The Management ensures adherence to all internal control policies and procedures as well as compliance with regulatory guidelines. The audit committee of the Board of Directors reviews the adequacy of internal controls. This has improved the management of the affairs of the Company and strengthened transparency and accountability.

The Company's Internal Financial Control System is commensurate with the size, scale and complexity of its operations. The Company has in place policies and procedures required to properly and efficiently conduct its business, safeguard its assets, detect frauds and errors, maintain accuracy and completeness of accounting records and prepare financial records in a timely and reliable manner. Further, your Company's Internal Financial Controls (IFC) has been reviewed and actions have been taken to strengthen financial reporting and overall risk management procedures. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss, proper prevention & detection of frauds & error, the accuracy and completeness of the accounting records, and all transactions are authorized, recorded and reported correctly.

The Internal Auditors monitor and evaluate the efficiency and adequacy of Internal Financial control system in the Company, its compliance with operating systems, accounting procedures and policies. To maintain its objectivity and independence, the Internal Auditors report directly to the Chairman of the Audit Committee of the Board, all the significant audit observations and follow up actions thereon. Both Statutory Auditor on quarterly basis and Internal auditor on annually basis have sessions with the Audit committee. The Internal audit reports are placed before the Audit committee on annual basis and all findings and observation, if any are recorded thereon. The said observation and comments, if any of the Audit Committee are placed before the board. The Internal Auditor is a permanent invitee to the Audit Committee Meetings. The Audit Committee advises on various risk mitigation exercises on a regular basis.

The audit committee also reviews reports submitted by the management and audit reports submitted by internal auditors and statutory auditors on periodic basis. Suggestions for improvement are considered and the audit committee follows up on corrective action. The audit committee also meets company's statutory Auditor to ascertain, inter alia their views on the adequacy of internal control systems and keeps the board of directors informed of its major observations, if any, periodically.

Your Board is of the opinion that the Internal Financial Controls, affecting the Financial Statements of your Company are adequate and are operating effectively.

Discussion on Financial Performance with respect to operational performance

TCI Finance Limited follows accrual basis of accounting under the historical cost convention. It has adopted Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 from April 1, 2019 and the effective date of such transition is April 1, 2018. Your company is a small sized, BSE and NSE listed, Non Banking Financial Company (NBFC).

The Company's total Revenue from Operations during the year were Rs. 135.34 Lakhs and the net loss is Rs. (47.97) Lakhs as against Rs. (251.03) lakhs respectively in the previous year.

The loss in the current year is mainly on account of provision for impairment of its investment in and loans granted to Mahendra Investment and Advisors Private Limited.

The Company is in the process of identifying various alternatives/ new areas to venture into for reviving the Company.

Material Developments in Human Resources/Industrial Relations

The Company always considers its human resources as a valuable asset and is committed towards their development for continuous growth. Focus on training to enhance the skill-sets of employees in line with the business and market requirements continued throughout the year and it confers rewards and recognition based on merit.

The employee relations have continued to be harmonious throughout the year. The Company has 4 permanent employees as on 31st March 2024.

Financial Ratios (%)

| Ratios | 2023 | 2024 | Change (%) |
|----------------------------|---|---|-------------------|
| Debtor Turnover | 0.02 | — | — |
| Inventory Turnover | Not Applicable as there is no Inventory | Not Applicable as there is no Inventory | — |
| Interest coverage Ratio | -0.63% | 0.17% | -126.78% |
| Current Ratio | — | — | — |
| Debt equity Ratio | -1.69% | -1.40% | -17.26% |
| Operating Profit Margin(%) | -235243.95% | 127.55% | -100.05% |
| Net Profit Margin (%) | -386198.02% | -73.70% | -99.98% |

Explanation

- Debtor turnover:** The reduction in the current year has been mainly on account of non recognition of interest on loans to Amrit Jal Ventures Private Limited for which provision for impairment loss has been created.
- Interest Coverage Ratio:** The reduction in Profit has been mainly on account of provision for impairment of loans and advances to Amrit Jal Ventures Private Limited.
- Debt Equity ratio:** There has been a reduction in debt equity ratio in the current year on account of provision for impairment of loans and advances to Amrit Jal Ventures Private Limited.
- Operating Profit Margin:** There has been a reduction in the operating margin on account of non- recognition of income on loans and advances to Amrit Jal Ventures Private Limited.
- Net Profit Margin:** There has been a negative Net profit margin on account of non-recognition of income and provision of impairment loss on loans and advances to Amrit Jal Ventures Private Limited.

Return on Net Worth

The Company recorded a loss of Rs. 47.97 Lakhs for FY 2023-24 as compared to the loss of Rs. 251.03 lakhs for FY 2022-23. The Net Worth of the Company Rs. (6335.98 Lakhs) as of 31st March 2024 as compared to Rs. (6285.30 Lakhs) as of 31st March 2023. Due to adverse developments in the entities to whom the company has advanced loans / given guarantees / investments made, the Company had incurred these losses and adversely affect the future income from operations. These factors substantially affected the operations of the Company.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of the applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic and political conditions in which the Company operates, interest rate fluctuations, changes in Government/ RBI regulations, Tax laws, other statutes and incidental factors.

INDEPENDENT AUDITORS' REPORT

on the Audited Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended

To

The Members of TCI Finance Limited

Qualified Opinion

1. We have audited the accompanying statement of Audited financial results of TCI Finance Limited ("the Company") for the Quarter and year ended 31st March, 2024 ("the statement") attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects in the respect of the matters described in paragraph 3 under basis for qualified opinion below, the Statement:
 - i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards("IND-AS") and other accounting principles generally accepted in India, of the net loss and other comprehensive loss and other financial information of the company for the Quarter and year ended March 31, 2024.

Basis for Qualified Opinion:

3. We draw attention to following notes to financial results:
 - a. Note no 3 regarding claims on the Company by the lenders of Amrit Jal Ventures Private Limited and Gati Infrastructure Bhasmey Power Private Limited aggregating to Rs. 25,619.80 Lakhs due to the invocation of corporate guarantee given by the Company. Against the said liability, the company during the year 2019-20, considering the disputed nature of the claim and unlawful invocation of the corporate guarantee made a provision of Rs. 7,798.91 Lakhs. As at March 31, 2024 The Company has disclosed the balance amount of liability Rs.17,820.89 Lakhs as contingent liability in its financial statements. In the absence of adequate basis for recognition of partial liability, in our opinion the Company ought to have recognized the liability in its books. Had the liability been recognized, the loss for the year and accordingly the other equity (negative balance) will be higher by Rs.17,820.89 Lakhs.
 - b. Note no 5 (a) regarding the invocation of Company's investment in equity shares of Gati Limited pledged as security for the credit facilities availed by Godavari Commercial Services Private Limited (Godavari), one of the lenders to the Company. However, the Company continued to present the said equity shares as investment at fair value as at March 31, 2024 despite invocation for the reasons stated in the said note. Fair value of the invoked shares considered as an asset which aggregates to Rs. 930.25 Lakhs. Considering that the investments have been sold, we are unable to comment on the appropriateness of presentation of fair value of said equity shares as investments in the Financial Statements. Further in view of the uncertainty relating to recoverability the said investment, we are unable to comment on the impact, if any, on the loss for the year and other equity as at March 31, 2024.
 - c. Note no 5 (c) regarding the investments in equity shares of the Company held in Gati Limited pledged for the facilities availed by Amrit Jal Ventures Private Limited (AJVPL). The lenders of AJVPL invoked the pledge and realized their dues. However, the Company continued to treat the said equity shares as investment at fair value as at March 31, 2024 despite invocation for the reasons stated in the said note. Fair value of the invoked shares considered as an asset which aggregates to Rs.774.41 Lakhs Considering that investments have been sold, we are unable to comment on the appropriateness of presentation of fair value of said equity shares as investments in the financial statements. Further in view of the uncertainty relating to recoverability of the said investment, we are unable to comment on the impact, if any, on the loss for the year and other equity as at March 31, 2024.

- d. Note no 7 regarding preparation of the financial statements by the management on a going concern basis for the reasons stated therein. In the absence of sufficient and appropriate evidence and the liabilities devolved on the Company upon invocation of guarantees by the lenders of other entities, in our opinion, preparation of financial statements on a going concern is not appropriate. Hence, we are unable to comment on the effect on carrying value of assets and liabilities had the financial statements been prepared not as a going concern.

In view of the matters reported at para (a) to (d) above and considering cumulative effect of these matters on the carrying values of assets and liabilities as at end of the year, we are unable to comment on the effect on the loss for the year ended and the retained earnings, had these matters been given effect in the financial results and financial information for the current year.

Qualified Conclusion:

Based on our audit conducted and procedures performed, except for the matter, mentioned in the Basis for Qualified Conclusion section of this report, nothing has come to our attention that causes us to believe that the accompanying statement of audited financial results prepared by the management of the Company, in accordance with the applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Results**" section of our report

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results for the quarter ended and year ended March 31, 2024 under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter:

5. We draw attention to following notes to the financial results:
- Note no 8 regarding the receipt of communication from Reserve Bank of India regarding the non-compliance with the maintenance of minimum Net Owned Funds as required under RBI Act 1934 advising the Company for surrender of Certificate of Registration.
 - Note no 9 regarding non recognition of interest expense of Rs.62.44 Lakhs for the year ended March 31, 2024 for the reasons stated in the said note. The interest expense not recognised, upto March 31, 2024 aggregates to Rs.398.31 Lakhs. Consequently, loss for the year is lower by Rs.62.44 Lakhs and Other Equity (negative balance) and borrowings are lower by Rs.398.31 Lakhs.
 - Our opinion is not modified in respect of matters at para 5 above.

Management's Responsibilities for the annual Financial Results

6. The statements which includes the financial results is the responsibility of the Company's Board of Directors, and has been approved for the issuance. The Company's Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net loss and other comprehensive loss of the Company and other financial information in accordance with the applicable Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations. 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 annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either 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 annual Financial Results

7. Our objectives are to obtain reasonable assurance about whether the annual financial results 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 annual financial results.

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 annual financial results, 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 through a separate report on the complete set of financial statements in place and the operating effectiveness of such controls.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- ◆ Conclude on the appropriateness of the Board of Directors' 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 annual financial results 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 annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- ◆ Obtain sufficient appropriate audit evidence regarding the financial results of the company to express as opinion on the financial results.

Materiality is the magnitude of misstatement in the Financial results that, individually or in the aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial results 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 Financial results.

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.

Other Matters

The annual financial results include the results for the quarter ended March 31, 2024 and March 31, 2023 being the balancing figures between the audited figures in respect of the financial year ended March 31, 2024 and March 31, 2023 and the published unaudited year-to-date figures up to December 31, 2023 and December 31, 2022, which were subjected to a limited review by us, as required under the Listing Regulation.

for G D Upadhyay & Co.,
Chartered Accountants
Firm Registration No. 005834S

Inderjeet Upadhyay
Partner
Membership No. 220791
UDIN: 23220791BGVBOC6671

Place: Hyderabad

Date: May 08, 2024

INDEPENDENT AUDITORS' REPORT

To

The Members of TCI Finance Limited

Report on the Audit of the Financial Statements

Qualified Opinion

1. We have audited the accompanying Financial Statements of TCI Finance Limited ("the Company"), for the quarter and year ended March 31, 2024 ("the Statement"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in Basis for Qualified Opinion section and Material Uncertainty Related to Going Concern section of this report, the aforesaid financial statements give the information required by the Companies Act 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects in the respect of the matters described in paragraph 3 under basis for qualified opinion below, the Statement:

- (i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standard and other accounting principles generally accepted in India, of the net loss and other comprehensive loss and other financial information for the year ended March 31, 2024

Basis for qualified Opinion

We draw attention to following notes to the financial statements:

- a. Note 29 regarding claims on the Company by the lenders of Amrit Jal Ventures Private Limited and its subsidiary Gati Infrastructure Bhasmey Power Private Limited aggregating to Rs. 25,619.80 Lakhs due to invocation of corporate guarantee given by the Company. Against the said liability, the Company during the year 2019-20, considering the disputed nature of claim and unlawful invocation of Corporate Guarantee made a provision of Rs. 7,798.91 Lakhs. As at March 31, 2024, the Company has disclosed the balance amount of liability Rs. 17,820.89 Lakhs as contingent liability in its financial statements. In the absence of adequate basis for recognition of partial liability, in our opinion the company ought to have recognised the liability in its books. Had the liability been recognised, the loss for the year and accordingly the other equity (negative balance) will be higher by Rs. 17,820.89 Lakhs.
- b. Note no 28 (i) regarding the invocation of Company's investment in equity shares of Gati Limited pledged as security for the credit facilities availed from Godavari Commercial Services Private Limited (Godavari), one of the lenders to the Company. However, the Company continued to present the said equity shares as investment at fair value as at March 31, 2024 despite invocation for the reasons stated in the said note. Fair value of the invoked shares considered as an asset aggregates to Rs. 930.25 Lakhs. Considering that investments have been sold, we are unable to comment on the appropriateness of presentation of fair value of said equity shares as investments in the financial statements. Further in view of the uncertainty relating to recoverability of the said investment, we are unable to comment on the impact, if any, on the loss for the year and other equity as at March 31, 2024.
- c. Note no 28(iii) regarding the investments in equity shares of the Company held in Gati Limited pledged for the facilities availed by Amrit Jal Ventures Private Limited (AJVPL). The lenders of AJVPL have invoked the pledge and realized their dues. However, the company continued to present the said equity shares as investment at fair value as at March 31, 2024 despite invocation for the reasons stated in the said note. The fair value of the invoked shares considered as an asset aggregates to Rs. 774.41 Lakhs. Considering that investments have been sold, we are

unable to comment on the appropriateness of presentation of fair value of said equity shares as investments in financial statements. Further, in view of the uncertainty relating to recoverability of the said investment, we are unable to comment on the impact if any, on the loss for the year and other equity as at March 31, 2024.

- d. Regarding preparation of the financial statements by the management on a going concern basis for reasons stated therein. In the absence of sufficient and appropriate evidence and the liabilities devolved on the company upon invocation of guarantees by the lenders of other entities in opinion, preparation of financial statements on a going concern is not appropriate. Hence, we are unable to comment on the effect on carrying value of assets and liabilities had the financial statements been prepared not as a going concern.
- e. Note no 31 regarding non recognition of interest expense of Rs.62.44 Lakhs for the year ended March 31, 2024 for the reasons stated in the said note. The interest expense not recognised, upto March 31, 2024 aggregates to Rs.398.31 Lakhs. Consequently, loss for the year is lower by Rs.62.44 Lakhs and Other Equity (negative balance) and borrowings are lower by Rs.398.31 Lakhs.
- f. The Company has received communication from RBI regarding non-reporting of matters reported at para (b), (c) and (d) above and a direction to account the same in the financial statements of March 31, 2020. As the Company received the complaint, post the audit of March 31, 2021, the Company has submitted the revised financial position [i.e. special purpose reporting] by adjusting the above-said qualifications. The financial statements for the current year do not include any adjustments contained in the directions of the RBI. We are unable to comment on effect on presentation and disclosures in the financial Statements the Company followed the directions of the RBI.

In view of the matters reported at para (a) to (f) above and considering cumulative effect of these matters on the carrying values of assets and liabilities as at the year end, we are unable to comment on the effect on the loss for the year and the retained earnings, had these matters been given effect in the financial results and financial statements for the current year.

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI 's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 33 regarding preparation of the financial statements by the management on a going concern basis for the reasons stated therein. In the absence of sufficient and appropriate audit evidence and the liabilities devolved on the Company upon invocation of guarantees by the lenders of other entities, we are of the opinion that preparation of financial statements on a going concern is not appropriate. Hence, we are unable to comment on the effect on carrying value of assets and liabilities had the financial statements been prepared not as a going concern.

Our opinion is modified in respect of this matter.

Emphasis of Matter:

1. We draw attention to Note no 25 regarding the petition filed by the three shareholders on the Company and the management regarding operation and mismanagement of affairs of the Company and the statutory auditors of the Company regarding reporting requirements of the said transactions.
2. We draw attention to Note no 32 regarding the receipt of the communication from Reserve Bank of India regarding the non-compliance with the maintenance of minimum Net Owned Funds as required under RBI Act, 1934 advising the Company for surrender of Certificate of Registration.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

| S.No | Key Audit Matters | Auditors Response |
|------|--|--|
| 1. | Existence, rights & obligations, completeness, and valuation of the investments given as guarantees to the lenders of the Company / lenders of the related parties - Refer Note 28 to the financial statements - "Investments Sale of Pledged Shares by Lenders". | We reviewed the matters involved in the litigations and also the representations furnished by the Company and also other undertakings by the counter parties. The same has been reported under "Basis for qualified Opinion" section of this report. |
| 2 | <p>Recognition of the corporate guarantee as liability</p> <p>As at March 31, 2024 the Company has given corporate guarantees to lenders of Amrit Jal Ventures Private Limited and to the lenders of subsidiaries of AJVPL (collectively referred as AJVPL) aggregating to Rs.31,366.71 Lakhs - Refer Note 29 to the financial statements</p> | Guarantee invocations by the lenders and ability of the entities on whose behalf the guarantees were given, prepared by the management and approved by the Board of Directors / Audit Committee. These estimates have been considered and in view of the uncertainties involved in the estimates, the same has been reported under "Basis for qualified Opinion " section of this report |

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder information, but does not include the financial statements and our auditor's report thereon.

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

If, based on the work we have performed we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the presentation of these annual financial results that give a true and fair view of the net loss and other comprehensive loss of the company and other financial information in accordance with the applicable Accounting Standards prescribed under section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with the Listing Regulations. 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 judgment and estimates that are responsible 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 annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either 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.

Auditors' Responsibility for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 the Board of Directors.
- ◆ Conclude on the appropriateness of the Board of Directors 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 a reasonably knowledgeable user 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 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or

when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the applicable.
2. As required by Section 143(3) of the Companies Act, 2013, 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 purpose 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, statement of changes in equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of the account.
 - d) Except for the possible effect of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act
 - e) The matter relating to going concern described under Material Uncertainty Related to Going Concern paragraph above, and the matters stated at paragraphs "a" to "f" of Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - f) On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
 - g) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
 - h) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. Our report expresses a modified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
 - i) with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - j) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 24 and 25 to the financial statements.
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses and
 - iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company for the year ended March 31, 2024.
 - iv.(a)the Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or

share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) the Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- v. The Company has not declared or paid any dividend during the year.
- vi. Based on our examination, which included test checks, the company has used accounting software's for maintaining its books of accounts for the Financial year ended March 31, 2024 which has a feature of recording audit trail (edit Log) facility and the same has operated through out the year for all the relevant transactions recorded in the software's. Further during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As provision to Rule 3(1) of the Companies (Accounts) Rules 2014 is applicable 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 G D Upadhyay & Co.,
Chartered Accountants
Firm Registration No. 005834S

Inderjeet Upadhyay
Partner
Membership No. 220791
UDIN: 23220791BGVBOC6671

Place: Hyderabad
Date: May 08, 2024

Re: TCI Finance Limited**Annexure A to the Independent Auditors' Report**

(Referred to in paragraph '1' under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of TCI Finance Limited of even date)

Based on the audit procedures performed for the purpose of reporting true and fair view on the financial statements of TCI Finance Limited ("the Company") and taking into consideration the information and explanation given to us and books of accounts and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. In respect of the Company's property, Plant and equipment, right of use assets and Intangible assets.
- (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of its intangible assets.
- (b) The Company's Property, Plant and Equipment have been physically verified by the management during the year in accordance with programme of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. There were no material discrepancies on such verification during the year.
- (c) The title deeds of the following immovable properties disclosed in the financial statements not held in the name of the Company:

| Description of the property | Gross carrying value (Rs in Lakhs) | Held in the name of | Whether Promoter, director or their relative or employee | Period held- Indicate range, where appropriate | Reason for not being held in name of the company |
|--|------------------------------------|--|--|--|--|
| Land at Rushikonda, Vishakapatnam | 1.68 | Neera Finance and Investment private limited | Property received as per Amalgamation | 01/04/2001 | Delay in mutation in the Revenue Department |
| Land at Kanithi village Gajuwaka - Vishakapatnam | 6.00 | Growell commercial and trading private limited | | 01/04/2001 | |

- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- (e) We have not noticed nor have been informed of initiating any proceedings or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- ii. (a) The Company does not have any inventory.
- (b) The Company has not been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets.
- iii. (a) During the year, the Company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties during the year. Also, the Company being the Non-Banking Financial Institution - a Loan Company. Hence paragraph 3(iii)(a) to (e) of the Order is not applicable at present.
- (b) The Company has granted loans to promoters, related parties as defined in clause 76 of Section 2 of the Companies Act, 2013 in earlier years. However, the loans granted are not of repayable on demand or without specifying any terms or period of payment. Hence paragraph 3(iii) (f) of the Order is not applicable at present.

- iv. The provisions of Section 185 and Section 186 of the Companies Act 2013 are not applicable to the Company being a Non-Banking Financial Institution - a Loan Company. Hence, reporting under the provisions of paragraph 3(iv) of the Order does not arise. Refer Note No 41 of the financial statements for the details of the transactions with the parties covered under Section 185 and Section 186 of the Companies Act 2013.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits to which the directions issued by the Reserve Bank of India and provisions of Section 73 to Section 76 or any other relevant provision of the Act and the Rules made there under, where applicable. Further no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal and accordingly paragraph 3(v) of the Order is not applicable, at present.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for the activities of the Company.
- vii. (a) The Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it with the appropriate authorities during the year. There were undisputed Tax amounts of Rs.86.17 Lakhs towards Income Tax u/s.143(3) For the Assessment Year 2018-19. payable which were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable and
- (b) Details of dues of Income Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on March 31, 2024 on account of disputes are as below:

| Nature of statute | Nature of the dues | Amount (Rs. in Lakhs) | Period to which the amount relates | Forum where dispute is pending |
|---------------------|--------------------|-----------------------|------------------------------------|--|
| Karnataka Sales Tax | Tax/Penalty | 0.64 | 1996-1997 | Joint Commissioner of Commercial Taxes (Appeals) |

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of the interest to lenders except the followings:

| Nature of the borrowing | Name of the Lender | Amount not paid on due date (Rs.) | Whether principal or interest | No. of days delay or unpaid | Remarks, if any |
|-----------------------------|--|-----------------------------------|-------------------------------|-----------------------------|--|
| Loans from Bodies Corporate | Godavari Commercial Services Private Limited | 385.00 | Principal | Exceeding 365 days | Refer Note 28(i) |
| Loans from Bodies Corporate | Godavari Commercial Services Private Limited | 2.57 | Interest | Exceeding 365 days | Interest relating to earlier years. |
| Loans from Bodies Corporate | Anchor Investments private Limited | 14.36 | Interest | Exceeding 365 days | Interest relating to earlier years |
| Loans from Bodies Corporate | Estrela Batteries Limited | 150.00 | Principal | Exceeding 365 days | The lender has initiated legal proceedings against the Company |
| Loans from Bodies Corporate | Estrela Batteries Limited | 23.67 | Interest | Exceeding 365 days | Interest relating to earlier years |

- (b) The company is not declared as a willful defaulter by any bank or financial institution or other lender.
- (c) The term loans were applied for the purpose for which the loans were obtained.
- (d) The Company has not raised any funds on short term basis during the year.
- (e) The Company has not taken any funds from any entity or person during the year on account to meet the obligations of its subsidiaries, associates and joint ventures.
- (f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures. Accordingly, paragraph 3(ix)(e) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible).
- xi. (a) No material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) There are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi company and hence the compliance with the requirements applicable to Nidhi Companies is not applicable.
- xiii. All the transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act 2013 and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards. Refer note 40 to financial statements.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- xvi. (a) The Company is a Non-Banking Financial Institutions as per Section 45I (A) of the Reserve Bank of India Act, 1934 and obtained the Certificate of Registration.
- (b) The Company has not conducted any Non-Banking Financing activity without the Certificate of Registration. However, as the company does not have minimum required Net Owned Funds as at March 31, 2024, the company has received a letter from RBI for surrender of COR. Refer Note 32 of the financial statements.
- (c) The Company is not Core Investment Company.
- (d) We have not received from the Company, necessary information/ confirmation to enable us to state whether the Group of which it is a constituent, has any Core investment Company in the Group.
- xvii. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of

Directors and Management plans and based on our examination of the evidence supporting the assumptions, we are of view that material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. Refer to the para "Material Uncertainty Related to Going Concern" in above in the Audit report.

- xx. In our opinion, provisions of Section 135 of the Act are not applicable to the Company at present. Accordingly, paragraph 3(xx) (a) and (b) of the Order is not applicable.

for G D Upadhyay & Co.,
Chartered Accountants
Firm Registration No. 005834S

Inderjeet Upadhyay
Partner
Membership No. 220791
UDIN: 23220791BGVBOC6671

Place: Hyderabad

Date: May 08, 2024

Re: TCI Finance Limited

Annexure B to the Independent Auditors' report

(Referred to in paragraph '2.h' under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of TCI Finance Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of TCI 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company;
- and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2024 in respect of financial statements closure and assessment of impairment loss or provision required in respect of investments or financial assets which could potentially result in misstatement in the financial statements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2024.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of the Company, which comprise the Balance Sheet as at March 31, 2024, and the related Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. These material weaknesses were considered in determining the nature, timing, and extent of audit tests applied in our audit of financial statements of the Company as at March 31, 2024 and this report affects our report dated May 08, 2024, on which we have expressed a qualified opinion on those financial statements.

for G D Upadhyay & Co.,
Chartered Accountants
Firm Registration No. 005834S

Inderjeet Upadhyay
Partner
Membership No. 220791
UDIN:23220791BGVBOC6671

Place: Hyderabad
Date: May 08, 2024

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Balance sheet as at March 31, 2024

(All the amount are in Lakhs except share data and where otherwise stated)

| | Particulars | Note No. | As at March 31, 2024 | As at March 31, 2023 |
|-----------|---|----------|-------------------------|-------------------------|
| I | Assets | | | |
| 1 | Financial Assets | | | |
| a | Cash and Cash Equivalents | 3 | 241.33 | 4.79 |
| b | Bank balances | | | |
| c | Loans | 4 | - | - |
| d | Investments | 5 | 2,385.88 | 2,609.29 |
| e | Other financial assets | 6 | 4.37 | 1,878.67 |
| 2 | Non Financial Assets | | | |
| a | Current tax assets | 7 | - | - |
| b | Deferred tax asset | | - | - |
| c | Investment property | 8 | 88.16 | 88.16 |
| d | Property, Plant and Equipment | 9 | 35.28 | 35.28 |
| e | Other intangible assets | 10 | 0.21 | 0.21 |
| f | Other non financial assets | | - | - |
| | Total Assets | | 2,755.21 | 4,616.39 |
| II | Liabilities and Equity | | | |
| | Liabilities | | | |
| 1 | Financial Liabilities | | | |
| a | Payable | | | |
| | - Trade payables | 11 | | |
| | -- total outstanding dues of micro enterprises and small enterprises | | - | - |
| | -- total outstanding dues of creditors other than micro enterprises and small enterprises | | 24.36 | 57.65 |
| b | Debt Securities | | | |
| c | Borrowings | 12 | 742.10 | 1,149.01 |
| d | Other financial liabilities | 13 | 8,130.58 | 9,488.47 |
| 2 | Non Financial Liabilities | | | |
| | Current tax liabilities (Net) | 7 | 45.48 | 45.54 |
| | Provisions | 14 | 5.85 | 2.43 |
| | Deferred tax liabilities (Net) | | 142.81 | 158.59 |
| | Total Liabilities | | 9,091.19 | 10,901.70 |
| 3 | Equity | | | |
| | Equity share capital | 15 | 1,419.63 | 1,419.63 |
| | Other equity | 16 | (7,755.61) | (7,704.93) |
| | Total Equity | | (6,335.98) | (6,285.30) |
| | Total Liabilities and Equity | | 2,755.21 | 4,616.39 |

Accompanying notes form an integral part of the Standalone Ind AS Financial Statements (1-54)

As per our report of even date attached.

For G.D.Upadhyay & Co.,

Chartered Accountants

Firm Regd No 05834S

Inderjeet Upadhyay

Partner, M.No 220791

UDIN : 24220791BKFAKX8946

Hyderabad, May 08, 2024

D R Agarwal

Chairman, DIN No : 00322861

S Jasminder Singh

Company Secretary

M.No. : A20640

V. Santhosh Kumar

Chief Financial Officer

For and on behalf of the Board

TCI Finance Limited

Mahendra Kumar Agarwal

Director, DIN No : 00179779

Amit Kumar Ray

Manager

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Statement of Profit and Loss for the year ended March 31, 2024*(All the amount are in Lakhs except share data and where otherwise stated)*

| | Particulars | Note No. | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 |
|-------------|---|-----------|-----------------------------------|-----------------------------------|
| I | Revenue from operations | | | |
| i | Interest income | 17 | - | - |
| ii | Dividend income | | 0.07 | 0.07 |
| iii | Rental income | | - | - |
| iv | Other operating income | 18 | 65.02 | - |
| | Total Revenue from Operations | | 65.09 | 0.07 |
| II | Other income | 19 | 70.25 | - |
| III | Total Income | | 135.34 | 0.07 |
| IV | Expenses | | | |
| i | Finance costs | 20 | 52.31 | 152.97 |
| ii | Employee Benefits Expenses | 21 | 54.01 | 36.03 |
| iii | Depreciation, amortization and impairment | 22 | - | 1.54 |
| iv | Other expenses | 23 | 72.49 | 60.54 |
| v | Impairment loss on loans | | | |
| | Total expenses | | 178.81 | 251.09 |
| V | Profit / (Loss) before exceptional items and tax | | (43.47) | (251.03) |
| VI | Exceptional Items | | 4.50 | - |
| VII | Profit / (Loss) before tax | | (47.97) | (251.03) |
| VIII | Tax expense | | | |
| | - Current tax | | | - |
| | - Deferred tax | | | - |
| IX | Profit / (Loss) after tax | | (47.97) | (251.03) |
| X | Other Comprehensive Income/ (Loss) | | | |
| | A. Items that will not be reclassified to profit or loss | | | |
| | (i) Remeasurement gain / (loss) on investments | | (18.48) | (1,524.16) |
| | (ii) Income tax relating to Items that will be reclassified to profit or loss | | 15.78 | 164.48 |
| | Sub total (A) | | (2.70) | (1,359.68) |
| | B. Items that will be reclassified to profit or loss | | | |
| | (i) Remeasurement gain/(loss) on investments | | - | - |
| | (ii) Deferred tax on remeasurement gain on investments | | - | - |
| | Sub total (B) | | | |
| | Other Comprehensive Income (A+B) | | (2.70) | (1,359.68) |
| XI | Total Comprehensive Income/ (Loss) for the year | | (50.67) | (1,610.71) |
| XII | Earning per equity share of Rs. 10/- each | 36 | | |
| | Basic (Rs.) | | (0.37) | (1.95) |
| | Diluted (Rs.) | | (0.37) | (1.95) |

Accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For G.D.Upadhyay & Co.,

Chartered Accountants

Firm Regd No 05834S

Inderjeet Upadhyay

Partner, M.No 220791

UDIN : 24220791BKFAKX8946

Hyderabad, May 08, 2024

D R Agarwal

Chairman, DIN No : 00322861

S Jasminder Singh

Company Secretary

M.No. : A20640

For and on behalf of the Board

TCI Finance Limited**Mahendra Kumar Agarwal**

Director, DIN No : 00179779

Amit Kumar Ray

Manager

V. Santhosh Kumar

Chief Financial Officer

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Standalone Cash Flow Statement for the year ended March 31, 2024

(All the amount are in Lakhs except share data and where otherwise stated)

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| A. Cash Flow From Operating Activities | | |
| Net profit before tax and extra ordinary items | (47.97) | (251.03) |
| Adjustments for: | | |
| Depreciation and Amortisation | - | 1.54 |
| Profit on sale of Investments | (65.02) | - |
| Impairment loss on loans | - | - |
| Dividend received (Long Term Investments) | (0.07) | (0.07) |
| | (113.06) | (249.55) |
| Changes in working capital: | | |
| Adjustments for (increase) / decrease in operating assets: | | |
| Other financial assets | 1874.31 | (0.32) |
| Other Current Assets | | |
| Adjustments for increase / (decrease) in operating liabilities: | | |
| Trade Payables | (33.29) | 9.33 |
| Other financial Liabilities | (1,357.89) | 1,219.91 |
| Long Term Provisions | 3.42 | 1.05 |
| Cash used in Operations | 373.49 | 980.42 |
| Net Income Tax Refunded | | (0.01) |
| Net Cash used in Operations | 373.49 | 980.41 |
| Loans Received back/ (Disbursed) (Net) | - | - |
| Net Cash from / (used in) Operating Activities (A) | 373.49 | 980.41 |
| B. Cash Flow from Investing Activities | | |
| Proceeds from Sale of Fixed assets | 0.00 | |
| Purchase of Intangible assets | 0.00 | |
| Sale of Long Term Investments | 223.41 | 150.17 |
| Dividend received (Long term Investments) | 0.07 | 0.07 |
| Net cash from / (used in) Investing Activities (B) | 223.48 | 150.24 |
| C. Cash Flow from Financing Activities | | |
| Repayment of Borrowings (net) | (406.91) | (1,132.87) |
| Net cash from Financing Activities (C) | (406.91) | (1,132.87) |
| Net Increase / Decrease in Cash and Cash Equivalents (A+B+C) | 190.06 | (2.22) |
| Cash and Cash Equivalents at the beginning of the year | 4.79 | 6.98 |
| Cash and Cash Equivalents at the end of the year | 194.85 | 4.76 |
| Components of Cash and Bank Balances comprises of : | | |
| Cash on Hand | 0.05 | 0.03 |
| With Banks | | |
| - in Current Accounts | 40.73 | 4.75 |
| - Deposit account | 200.56 | - |
| Cash and Bank Balances at the end of the year | 241.33 | 4.79 |

Accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For G.D.Upadhyay & Co.,

Chartered Accountants

Firm Regd No 05834S

Inderjeet Upadhyay

Partner, M.No 220791

UDIN : 24220791BKFAKX8946

Hyderabad, May 08, 2024

D R Agarwal

Chairman, DIN No : 00322861

S Jasminder Singh

Company Secretary

M.No. : A20640

V. Santhosh Kumar

Chief Financial Officer

For and on behalf of the Board

TCI Finance Limited

Mahendra Kumar Agarwal

Director, DIN No : 00179779

Amit Kumar Ray

Manager

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)*

| | |
|--------------|--|
| 1 | <p>Corporate information</p> <p>TCI Finance Limited ("the Company") is a public company domiciled in India. Its shares are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Company is a "Loan company" engaged in the business of Non Banking Financial Institution as defined in section 45I(a) of the Reserve Bank of India Act, 1934.</p> |
| 2 | <p>Summary of Significant accounting policies</p> |
| 2.1 | <p>Preparation of financial statements</p> |
| 2.1.1 | <p>Basis for preparation</p> <p>The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Accounting Standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.</p> <p>The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving higher degree of judgement or complexity, or areas where assumptions are significant to the company are discussed in Note - Significant accounting judgements, estimates and assumptions.</p> <p>The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest Lakhs, except when otherwise indicated.</p> <p>The standalone financial statements were authorised for issue by the Company's Board of Directors at its meeting held on May 8, 2024.</p> |
| 2.1.2 | <p>Presentation of financial statements</p> <p>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). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:</p> <ol style="list-style-type: none"> i. The normal course of business ii. The event of default iii. The event of insolvency or bankruptcy of the Company and/or its counterparties |
| 2.1.3 | <p>Statement of compliance</p> <p>These standalone or separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.</p> |
| 2.1.4 | <p>Functional and presentation currency</p> <p>These financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Company's functional currency. All amounts are rounded-off to the nearest lakhs, unless otherwise indicated.</p> |
| 2.1.5 | <p>Basis of measurement</p> <p>The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values.</p> |
| 2.1.6 | <p>Measurement of fair values</p> <p>A number of Company's accounting policies and disclosures require the measurement of fair values, for both</p> |

financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)."

2.2 Use of estimates and judgements and Estimation uncertainty

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosures of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were issued. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Following are areas that involved a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities.

2.2.1 Effective Interest Rate (EIR) Method

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

2.2.2 Impairment of Financial Assets

The measurement of impairment losses on loan assets and commitments, requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- The Company's criteria for assessing if there has been a significant increase in credit risk
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL model, including The various formulae and The choice of inputs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive The economic inputs into The ECL model It has been The Company's policy to regularly review its model in The context of actual loss experience and adjust when necessary

2.2.3 Provisions and other contingent liabilities

The reliable measure of the estimates and judgements pertaining to litigations and the regulatory proceedings in the ordinary course of the Company's business are disclosed as contingent liabilities.

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)*

| | |
|--|--|
| | <p>Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.</p> <p>2.3 First-time adoption of Ind AS – mandatory exceptions and optional exemptions</p> <p>The Company has prepared the opening balance sheet as per Ind AS as of 1st April 2018 (“the transition date”) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from Previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as mentioned below:</p> <p>Deemed cost for property, plant and equipment and intangible assets -</p> <p>The Company has elected to measure property, plant and equipment, and intangible assets at its Previous GAAP carrying amount and use that Previous GAAP carrying amount as its deemed cost at the date of transition to Ind AS.</p> <p>De-recognition of financial assets and financial liabilities related to securitisation transactions -</p> <p>The Company has not elected the exemption of applying the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date. The Company has applied de-recognition requirements of financial assets and financial liabilities retrospectively from 1 February 2013 as the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions were obtained at the time of initially accounting for those transactions.</p> <p>Share-based payments -</p> <p>The Company has availed the exemption of not applying Ind AS 102 Share-based Payment to options already vested as on the transition date.</p> <p>Leases -</p> <p>The Company has availed the exemption to assess whether an arrangement contains a lease based on facts and circumstances existing on date of transition to Ind AS.</p> <p>2.4 Revenue Recognition</p> <p>2.4.1 Interest Income</p> <p>Interest income is recognised in Statement of profit and loss using the effective interest method for all financial instruments measured at amortised cost, debt instruments measured at FVOCI and debt instruments designated at FVTPL. The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.</p> <p>The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.</p> <p>"If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The “adjustment is subsequently amortised through Interest income in the Statement of profit and loss."</p> <p>2.4.2 Rental Income :</p> <p>Income from operating leases is recognised in the Statement of profit and loss as per contractual rentals unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished.</p> |
|--|--|

| | |
|--------------|---|
| 2.4.3 | Fee and commission income : Fee based income are recognised when they become measurable and when it is probable to expect their ultimate collection. Commission and brokerage income earned for the services rendered are recognised as and when they are due. |
| 2.4.4 | Dividend and interest income on investments <ul style="list-style-type: none">- Dividends are recognised in Statement of profit and loss only when the right to receive payment is established, It is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.- Interest income from investments is recognised when It is certain that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective Interest rate applicable. |
| 2.5 | Property Plant and Equipment (PPE) : |
| 2.5.1 | Tangible Assets: PPE are carried at cost of acquisition or construction less accumulated depreciation and accumulated impairment loss. The cost includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Assets held for sale or disposals are stated at the lower of their net book value and net realisable value. "Advances paid towards the acquisition of PPE outstanding at each balance sheet date are disclosed separately under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date. PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is recognised in other income / netted off from any loss on disposal in the Statement of profit and loss in the year the asset is derecognised. |
| 2.5.2 | Intangible Assets: Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. Intangible assets comprises of computer software which is amortized over the estimated useful life. The amortization period is lower of license period or 36 months which is based on management's estimates of useful life. |
| 2.6 | Depreciation and Amortisation Depreciable amount of assets is the cost of an asset, or other amount substituted for cost less its estimated residual value. Depreciation on PPE has been provided on the straight line method as per the useful lives prescribed in schedule II to the Companies Act, 2013 . Intangible assets are amortised, on the straight line method on the useful lives prescribed in schedule II to the Companies Act, 2013 . |
| 2.7 | Investments Investments are classified as Long term and Current. Long term Investments are carried at cost less provision for other than temporary diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value. Investments in subsidiaries and associate are measured at cost less accumulated impairment, if any. |
| 2.8 | Financial instruments |
| 2.8.1 | Recognition and initial measurement Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual |

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)*

provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of profit and loss.

2.8.2 Classification and Subsequent measurement of financial assets-

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- FVOCI - debt instruments;
- FVOCI - equity instruments;
- FVTPL

Amortised cost -

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial asset in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the Company measures Bank balances, Loans, Trade receivables and other financial instruments at amortised cost.

FVOCI - debt instruments -

The Company measures its debt instruments at FVOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset meet the SPPI test.

FVOCI - equity instruments -

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading. "Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets." All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets.

Subsequent measurement of financial assets

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Any gain and loss on derecognition is recognised in Statement of profit and loss.

Debt investment at FVOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of profit and loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognised in Statement of profit and loss.

| | |
|--------------|--|
| | <p>Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Statement of profit and loss. Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of profit and loss.</p> |
| 2.8.3 | <p>Financial liabilities and equity instruments:</p> <p>Classification as debt or equity -</p> <p>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.</p> <p>Equity instruments -</p> <p>An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received. Transaction costs of an equity transaction are recognised as a deduction from equity.</p> <p>Financial liabilities -</p> <p>Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of profit and loss. Any gain or loss on derecognition is also recognised in Statement of profit and loss.</p> <p>Financial guarantee contracts:</p> <p>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 the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 - Financial Instruments; and "- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18 - Revenue.</p> |
| 2.8.4 | <p>Derecognition</p> <p>Financial assets</p> <p>The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.</p> <p>Financial liabilities</p> <p>A financial liability is derecognised when the obligation in respect of the liability is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognised in Statement of profit and loss.</p> |
| 2.8.5 | <p>Offsetting</p> <p>Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.</p> |

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)*

| | |
|--------------|--|
| 2.8.6 | <p>Impairment of financial instruments</p> <p>Equity instruments are not subject to impairment under Ind AS 109. The Company recognises lifetime expected credit losses (ECL) when there has been a significant increase in credit risk since initial recognition and when the financial instrument is credit impaired. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.</p> <p>The Company recognises lifetime ECL for other financial assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognised in OCI and carrying amount of the financial asset is not reduced in the balance sheet.</p> |
| 2.8.7 | <p>Collateral repossessed -</p> <p>Based on operational requirements, the Company's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category for capitalisation at their fair market value. In the normal course of business, the Company does not physically repossess assets/properties in its loan portfolio, but engages external agents to repossess and recover funds, generally by selling at auction, to settle outstanding debt. Any surplus funds are returned to the customers/ obligors. As a result of this practice, the assets / properties under legal repossession processes are not separately recorded on the balance sheet.</p> |
| 2.8.8 | <p>Write offs -</p> <p>The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor/ borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. 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 recoveries made are recognised in Statement of profit and loss.</p> |
| 2.9 | <p>Employee Benefits</p> |
| 2.9.1 | <p>Short-term employee benefits</p> <p>Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.</p> |
| 2.9.2 | <p>Gratuity -</p> <p>The Company's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Past services are recognised at the earlier of the plan amendment / curtailment and recognition of related restructuring costs/ termination benefits.</p> |

| | |
|---------------|---|
| | <p>The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of profit and loss.</p> <p>Remeasurement gains/losses -</p> <p>Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to Statement of profit and loss in the subsequent period. Remeasurement gains or losses on long-term compensated absences that are classified as other long-term benefits are recognised in Statement of profit and loss.</p> |
| 2.9.3 | <p>Superannuation fund -</p> <p>The Company makes contribution to the Superannuation scheme, a defined contribution scheme, administered by Life Insurance Corporation of India, which are charged to the Statement of profit and loss. The Company has no obligation to the scheme beyond its contributions.</p> |
| 2.9.4 | <p>Leave encashment / compensated absences / sick leave -</p> <p>The Company provides for the encashment / availment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.</p> |
| 2.10 | <p>Finance costs :</p> <p>Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortised cost - bank term loans, non-convertible debentures, fixed deposits mobilised, commercial papers, subordinated debts and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.</p> |
| 2.11 | <p>Reserve Bank of India Prudential Norms</p> <p>The Company follows the guidelines issued by the Reserve Bank of India, in respect of income recognition, asset classification and valuation of investments. Provision for standard assets is made in terms of the notification in Master Direction - DNBR (PD) 007/03.10.119/2016-17 - Updated as on 23.02.2018 issued by Reserve Bank of India.</p> |
| 2.12 | <p>Taxation:</p> <p>Income tax expense comprises of current tax and deferred tax. It is recognised in Statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.</p> |
| 2.12.1 | <p>Current Tax: Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.</p> |
| 2.12.2 | <p>Deferred Taxes: 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.</p> <p>Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.</p> |

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)*

| | |
|--------------------|--|
| | <p>Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.</p> |
| <p>2.13</p> | <p>Impairment of assets other than financial assets :</p> <p>The Group reviews the carrying amounts of its tangible and intangible assets at the end of each reporting period, to determine whether there is any indication that those assets have impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets.</p> <p>Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cashgenerating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.</p> <p>When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount such that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised for the asset (or cashgenerating unit) in prior years. The reversal of an impairment loss is recognised in Statement of profit and loss.</p> |
| <p>2.14</p> | <p>Provisions :</p> <p>Provisions are recognised when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.</p> <p>The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.</p> <p>Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.</p> |
| <p>2.15</p> | <p>Earnings Per Share:</p> <p>Basic earnings per equity share is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, sub-division of shares etc. that have changed the number of equity shares outstanding, without a corresponding change in resources. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.</p> |

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024

Statement of Changes in Equity for the year ended March 31, 2024

(All the amount are in Lakhs except share data and where otherwise stated)

A. Equity Share capital

1. As at March 31, 2024

| Balance at the April 01, 2023 | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the March 31, 2024 |
|-------------------------------|--|---|---|-------------------------------|
| 14,19,63,050 | - | - | - | 14,19,63,050 |

1. As at March 31, 2023

| Balance at the April 01, 2022 | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the March 31, 2023 |
|-------------------------------|--|---|---|-------------------------------|
| 14,19,63,050 | - | - | - | 14,19,63,050 |

B. Other Equity

1. As at March 31, 2024

| | Share application money pending allotment | Equity component of compound financial instruments | Reserves and Surplus | | | Debt instruments through Other Comprehensive | Equity instruments through Other Comprehensive | Effective portion of Cash Flow | Revaluation Surplus | Exchange differences on translating the financial statements | Other items of Other Comprehensive | Money received against share | Total |
|---|---|--|----------------------|--------------------|--------------------|--|--|--------------------------------|---------------------|--|------------------------------------|------------------------------|------------|
| | | | Capital Reserve | Securities Premium | General Reserves * | | | | | | | | |
| Balance as at April 01, 2023 | - | - | 708.13 | 1.63 | 352.19 | (2,269.49) | (6,497.40) | - | - | - | - | - | (7,704.93) |
| Changes in accounting policy/prior period errors | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Restated balance at the beginning of the current reporting period | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Comprehensive Income/(loss) for the current year | - | - | - | - | (47.97) | (2.70) | - | - | - | - | - | - | (50.67) |
| Dividends | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - | (182.95) | - | - | - | - | - | - | (182.95) |
| Transfer from Equity instruments through Other Comprehensive income | - | - | - | - | 182.95 | - | - | - | - | - | - | - | 182.95 |
| Balance as at March 31, 2024 | - | - | 708.13 | 1.63 | 352.19 | (2,134.51) | (6,683.05) | - | - | - | - | - | (7,755.61) |

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024
Statement of Changes in Equity for the year ended March 31, 2024

(All the amount are in Lakhs except share data and where otherwise stated)

2. As at March 31, 2023

| | Share application money pending allotment | Equity component of compound financial instruments | Reserves and Surplus | | | | Debt Instruments through Other Comprehensive Income | Equity Instruments through Other Comprehensive Income | Effective portion of Cash Flow Hedges | Revaluation Surplus | Exchange differences on translating the financial statements of a foreign operation | Other items of Other Comprehensive Income (specify nature) | Money received against share warrants | Total |
|---|---|--|----------------------|--------------------|--------------------|-------------------|---|---|---------------------------------------|---------------------|---|--|---------------------------------------|-------|
| | | | Capital Reserve | Securities Premium | General Reserves * | Retained Earnings | | | | | | | | |
| Balance as at April 01, 2022 | - | - | 708.13 | 1.63 | 352.19 | (2,158.73) | - | (4,997.44) | - | - | - | - | (6,094.22) | |
| Changes in accounting policy/prior period errors | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Restated balance at the beginning of the current reporting period | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total Comprehensive Income/(loss) for the current year | - | - | - | - | - | (251.03) | (1,359.68) | - | - | - | - | - | (1,610.71) | |
| Dividends | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Transfer to retained earnings | - | - | - | - | - | - | (140.27) | - | - | - | - | - | (140.27) | |
| Transfer from Equity instruments through Other Comprehensive Income | - | - | - | - | - | 140.27 | - | - | - | - | - | - | 140.27 | |
| Balance as at March 31, 2023 | - | - | 708.13 | 1.63 | 352.19 | (2,269.49) | (6,497.40) | - | - | - | - | - | (7,704.94) | |

***Refer note no 16.3.1**

Accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For **G.D.Upadhyay & Co.,**

Chartered Accountants

Firm Regd No 058345

For and on behalf of the Board
TCI Finance Limited

D R Agarwal
 Chairman
 DIN No : 00322861

Mahendra Kumar Agarwal
 Director
 DIN No : 00179779

Inderjeet Upadhyay
 Partner
 M.No 220791
 UDIN :23220791BGVB06671
 Hyderabad, May 8, 2024

S Jasminder Singh
 Company Secretary
 M.No: A20640

Amit Kumar Ray
 Manager

V Santhosh Kumar
 Chief Financial Officer

| | Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------|--------------------------------------|-----------------------------|-----------------------------|
| 3 | Cash and bank balances | | |
| 3.1 | Cash and Cash Equivalents | | |
| | Cash on hand | 0.05 | 0.03 |
| | Balances with Banks in Fixed Deposit | 200.56 | - |
| | In Current Accounts | 40.73 | 4.75 |
| | | 241.33 | 4.79 |

3.2 The Company has not taken bank overdraft, therefore the cash and cash equivalents for Cash flow statement is same as cash and for cash equivalent given above.

4 Loans

| | Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|---|-----------------------------|-----------------------------|
| | (A) | | |
| | 1. Bills purchased and bills discounted | | |
| | 2. Loans repayable on demand | | |
| | 3. Term Loans | 0.00 | 4,181.51 |
| | 4. Leasing | | |
| | 5. Factoring | | |
| | 6. Others | | |
| | Total (A) - Gross (Refer Note no 4.2) | 0.00 | 4,181.51 |
| | Less: Impairment loss allowance (Refer Note no 4.3) | - | (4,181.51) |
| | Total (A) - Net | 0.00 | 0.00 |
| | (B) | | |
| | 1. Secured by tangible assets | | |
| | 2. Unsecured | 0.00 | 4,181.51 |
| | Total (B) - Gross | 0.00 | 4,181.51 |
| | Less: Impairment loss allowance | - | (4,181.51) |
| | Total (B) - Net | 0.00 | 0.00 |
| | (C) | | |
| | 1. Public Sector | | |
| | 2. Others | | |
| | ___ Retail | | |
| | ___ Corporates | 0.00 | 4,181.51 |
| | Total (C) - Gross | 0.00 | 4,181.51 |
| | Less: Impairment loss allowance | - | (4,181.51) |
| | Total (C) - Net | 0.00 | 0.00 |

Note: There is no loan asset measured at FVOCI or FVTPL or designated at FVTPL.

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)***4.1 Credit quality of assets**

The table below shows the credit quality and maximum exposure to credit risk based on the Company's internal credit rating system and year - end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in note 39(ii) and policies on whether ECL allowance are calculated on an individual or collective basis are set out in Note 2.8.6

| Particulars | As at March 31, 2024 | | | |
|--|----------------------|--------------------|--------------------|-------|
| | Stage 1 Collective | Stage 2 Collective | Stage 3 Collective | Total |
| Internal rating grade | | | | |
| High grade | - | - | - | - |
| Standard grade | - | - | - | - |
| Sub-Standard grade | - | - | - | - |
| Past due but not impaired | - | - | - | - |
| Non performing | - | - | - | - |
| Total | - | - | - | - |
| Less : Provision for impairment on standard & High Grade | - | - | - | - |
| | - | - | - | - |

| Particulars | As at March 31, 2023 | | | |
|--|----------------------|--------------------|--------------------|-------|
| | Stage 1 Collective | Stage 2 Collective | Stage 3 Collective | Total |
| Internal rating grade | | | | |
| High grade | - | - | - | - |
| Standard grade | - | - | - | - |
| Sub-Standard grade | - | - | - | - |
| Past due but not impaired | - | - | - | - |
| Non performing | - | - | - | - |
| Total | - | - | - | - |
| Less : Provision for impairment on standard & High Grade | - | - | - | - |
| | - | - | - | - |

4.2 An analysis of changes in the gross carrying amount as follows:

| Particulars | As at March 31, 2024 | | | |
|---|----------------------|--------------------|--------------------|-------|
| | Stage 1 Collective | Stage 2 Collective | Stage 3 Collective | Total |
| Gross carrying amount opening balance | - | - | - | - |
| New Assets originated or purchased | - | - | - | - |
| Asset derecognised or repaid (excluding write offs) | - | - | - | - |
| Transfer to Stage 1 | - | - | - | - |
| Transfer to Stage 2 | - | - | - | - |
| Transfer to Stage 3 | - | - | - | - |
| Amount written off | - | - | - | - |
| Total | - | - | - | - |

| Particulars | As at March 31, 2023 | | | |
|---|----------------------|--------------------|--------------------|-------|
| | Stage 1 Collective | Stage 2 Collective | Stage 3 Collective | Total |
| Gross carrying amount opening balance | - | - | - | - |
| New Assets originated or purchased | - | - | - | - |
| Asset derecognised or repaid (excluding write offs) | - | - | - | - |
| Transfer to Stage 1 | - | - | - | - |
| Transfer to Stage 2 | - | - | - | - |
| Transfer to Stage 3 | - | - | - | - |
| Amount written off | - | - | - | - |
| Total | - | - | - | - |

4.3 Reconciliation of ECL balance is given below:

| Particulars | As at March 31, 2024 | | | |
|---|----------------------|--------------------|--------------------|-------|
| | Stage 1 Collective | Stage 2 Collective | Stage 3 Collective | Total |
| ECL allowance - Opening balance | - | - | - | - |
| New Assets originated or purchased | - | - | - | - |
| Asset derecognised or repaid (excluding write offs) | - | - | - | - |
| Transfer to Stage 1 | - | - | - | - |
| Transfer to Stage 2 | - | - | - | - |
| Transfer to Stage 3 | - | - | - | - |
| Impact on year end ECL of expenses transferred between stages during the year and reversal of ECL on account recovery | - | - | - | - |
| Unwinding of discount | - | - | - | - |
| Changes of contractual cash flows due to modifications not resulting in derecognition | - | - | - | - |
| Changes to models and inputs used for ECL calculations | - | - | - | - |
| Amount written off | - | - | - | - |
| ECL allowance - Closing balance | - | - | - | - |

| Particulars | As at March 31, 2023 | | | |
|---|----------------------|--------------------|--------------------|-------|
| | Stage 1 Collective | Stage 2 Collective | Stage 3 Collective | Total |
| ECL allowance - Opening balance | - | - | - | - |
| New Assets originated or purchased | - | - | - | - |
| Asset derecognised or repaid (excluding write offs) | - | - | - | - |
| Transfer to Stage 1 | - | - | - | - |
| Transfer to Stage 2 | - | - | - | - |
| Transfer to Stage 3 | - | - | - | - |
| Impact on year end ECL of expenses transferred between stages during the year and reversal of ECL on account recovery | - | - | - | - |

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)*

| Particulars | As at March 31, 2023 | | | |
|---|----------------------|--------------------|--------------------|-------|
| | Stage 1 Collective | Stage 2 Collective | Stage 3 Collective | Total |
| Unwinding of discount | - | - | - | - |
| Changes of contractual cash flows due to modifications not resulting in derecognition | - | - | - | - |
| Changes to models and inputs used for ECL calculations | - | - | - | - |
| Amount written off | - | - | - | - |
| ECL allowance - Closing balance | - | - | - | - |

5 Investments (Refer Note no 28)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| 1. Debt Securities | | |
| 2. Equity instruments | 2,387.90 | 2,611.31 |
| 3. Subsidiaries (at cost) | | |
| Total (A) - Gross | 2,387.90 | 2,611.31 |
| 1. Investments outside India | | |
| 2. Investments in India | 2,387.90 | 2,611.31 |
| Total (B) - Gross | 2,387.90 | 2,611.31 |
| Less: Allowance for Impairment loss (C) | (2.02) | (2.02) |
| Total - Net D = (A) - (C) | 2,385.88 | 2,609.29 |

Note: All the Investments are valued at FVTOCI**5.1 Credit quality of assets**

The table below shows the credit quality and maximum exposure to credit risk based on the Company's internal credit rating system and year - end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in note 40(ii) and policies on whether ECL allowance are calculated on an individual or collective basis are set out in Note 2.6.6

| Particulars | As at March 31, 2024 | | | |
|---|----------------------|--------------------|--------------------|-----------------|
| | Stage 1 Collective | Stage 2 Collective | Stage 3 Collective | Total |
| Internal rating grade | | | | |
| High grade | - | - | - | - |
| Standard grade | 2,385.88 | - | - | 2,385.88 |
| Sub-Standard grade | - | - | - | - |
| Past due but not impaired | - | - | - | - |
| Non performing | - | - | 2.02 | 2.02 |
| Total | 2,385.88 | - | 2.02 | 2,387.90 |
| Less : Provision for impairment on standard & High Grade | - | - | (2.02) | (2.02) |
| | 2,385.88 | - | - | 2,385.88 |

| Particulars | As at March 31, 2023 | | | |
|---|----------------------|--------------------|--------------------|-----------------|
| | Stage 1 Collective | Stage 2 Collective | Stage 3 Collective | Total |
| Internal rating grade | | | | |
| High grade | - | - | - | - |
| Standard grade | 2,609.29 | - | - | 2,609.29 |
| Sub-Standard grade | - | - | - | - |
| Past due but not impaired | - | - | - | - |
| Non performing | - | - | 2.02 | 2.02 |
| Total | 2,609.29 | - | 2.02 | 2,611.31 |
| Less : Provision for impairment on standard & High Grade | - | - | (2.02) | (2.02) |
| | 2,609.29 | - | - | 2,609.29 |

5.2 An analysis of changes in the gross carrying amount as follows:

| Particulars | As at March 31, 2024 | | | |
|--|----------------------|--------------------|--------------------|-----------------|
| | Stage 1 Collective | Stage 2 Collective | Stage 3 Collective | Total |
| Gross carrying amount opening balance | (367.85) | - | 2,977.14 | 2,609.29 |
| New Assets originated or purchased | - | - | - | - |
| Asset derecognised or written off | - | - | - | - |
| Transfer to Stage 1 | - | - | - | - |
| Transfer to Stage 2 | - | - | - | - |
| Transfer to Stage 3 | - | - | - | - |
| Change in fair value | (223.41) | - | - | (223.41) |
| Total | (591.26) | - | 2,977.14 | 2,385.88 |

| Particulars | As at March 31, 2023 | | | |
|--|----------------------|--------------------|--------------------|-----------------|
| | Stage 1 Collective | Stage 2 Collective | Stage 3 Collective | Total |
| Gross carrying amount opening balance | 1,308.51 | - | 2,977.14 | 4,285.65 |
| New Assets originated or purchased | - | - | - | - |
| Asset derecognised or matured | (2.02) | - | - | (2.02) |
| Transfer to Stage 1 | - | - | - | - |
| Transfer to Stage 2 | - | - | - | - |
| Transfer to Stage 3 | - | - | - | - |
| Change in fair value | (1,674.33) | - | - | (1,674.33) |
| Total | (367.85) | - | 2,977.14 | 2,609.29 |

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)***5.3 Reconciliation of ECL balance is given below:**

| Particulars | As at March 31, 2024 | | | |
|---|----------------------|--------------------|--------------------|-------|
| | Stage 1 Collective | Stage 2 Collective | Stage 3 Collective | Total |
| ECL allowance - Opening balance | - | 2.02 | - | 2.02 |
| New Assets originated or purchased | - | - | - | - |
| Asset derecognised or repaid (excluding write offs) | - | - | - | - |
| Transfer to Stage 1 | - | - | - | - |
| Transfer to Stage 2 | - | - | - | - |
| Transfer to Stage 3 | - | - | - | - |
| Unwinding of discount | - | - | - | - |
| Changes to models and inputs used for ECL calculations | - | - | - | - |
| Amount written off | - | - | - | - |
| ECL allowance - Closing balance | | 2.02 | - | 2.02 |

| Particulars | As at March 31, 2023 | | | |
|---|----------------------|--------------------|--------------------|-------|
| | Stage 1 Collective | Stage 2 Collective | Stage 3 Collective | Total |
| ECL allowance - Opening balance | - | 2.02 | - | 2.02 |
| New Assets originated or purchased | - | - | - | - |
| Asset derecognised or repaid (excluding write offs) | - | - | - | - |
| Transfer to Stage 1 | - | - | - | - |
| Transfer to Stage 2 | - | - | - | - |
| Transfer to Stage 3 | - | - | - | - |
| Unwinding of discount | - | - | - | - |
| Changes to models and inputs used for ECL calculations | - | - | - | - |
| Amount written off | - | - | - | - |
| ECL allowance - Closing balance | | 2.02 | - | 2.02 |

6 Other Financial Assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Other Advances recoverable in cash or kind | 3.57 | 1,877.87 |
| Rent Deposit | 0.80 | 0.80 |
| Interest accrued on Loans , Advances and debentures | - | - |
| | 4.37 | 1,878.67 |
| Less: Provision for interest receivable (Refer Note 6.1) | - | - |
| | 4.37 | 1,878.67 |

7 Current Tax Assets / Liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-----------------------------|-----------------------------|
| Advance Tax (Net of provision of Nil and Previous year Nil) | (45.48) | (45.54) |
| Total | (45.48) | (45.54) |

8. Investment Property

| Particulars | Land - Freehold | Total |
|--|------------------------|--------------|
| Additions | | |
| Disposals | | |
| As at March 31, 2023 | 88.16 | 88.16 |
| Additions | | |
| Disposals | | |
| As at Mar 31, 2024 | 88.16 | 88.16 |
| Accumulated depreciation | | |
| Charge for the year | - | - |
| Disposals | - | - |
| As at March 31, 2023 | - | - |
| Charge for the year | - | - |
| Disposals | - | - |
| As at Mar 31, 2024 | - | - |
| Net carrying amount as at March 31, 2023 | 88.16 | 88.16 |
| Net carrying amount as at March 31, 2024 | 88.16 | 88.16 |

9. Property, Plant and Equipment

| Particulars | Land - Freehold | Building | Computers | Vehicles | Total |
|--|------------------------|-----------------|------------------|-----------------|--------------|
| Additions | | | - | | |
| Disposals | | | | - | |
| As at March 31, 2023 | 35.23 | - | 5.26 | - | 40.49 |
| Additions | | | - | | |
| Disposals | | | | - | |
| As at March 31, 2024 | 35.23 | - | 5.26 | - | 40.49 |
| Accumulated depreciation | | | | | |
| Charge for the year | | | 1.07 | - | 1.07 |
| Disposals | | | | - | - |
| As at March 31, 2023 | - | - | 5.21 | - | 5.21 |
| Charge for the year | | | | | |
| Disposals | | | | | |
| As at March 31, 2024 | - | - | 5.21 | - | 5.21 |
| Net carrying amount as at March 31, 2023 | 35.23 | - | 0.05 | - | 35.28 |
| Net carrying amount as at March 31, 2024 | 35.23 | - | 0.05 | - | 35.28 |

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)***10 Other Intangible Assets**

| Particulars | Computer Software |
|--|-------------------|
| Additions | |
| Disposals | |
| As at March 31, 2023 | 1.97 |
| Additions | |
| Disposals | |
| As at Mar 31, 2024 | 1.97 |
| Accumulated depreciation | |
| Charge for the year | 0.46 |
| Disposals | |
| As at March 31, 2023 | 1.76 |
| Charge for the year | |
| Disposals | |
| As at Mar 31, 2024 | 1.76 |
| Net carrying amount as at March 31, 2023 | 0.21 |
| Net carrying amount as at Mar 31, 2024 | 0.21 |

11 Trade payables (Refer Note 11.1 and 11.2)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| ___ total outstanding dues of micro enterprises and small enterprises | | |
| ___ total outstanding dues of creditors other than micro enterprises and small enterprises | 24.36 | 57.65 |
| Total | 24.36 | 57.65 |

11.1 Ageing of trade payables

| Particulars | Outstanding for following periods from due date of payment | |
|--|--|----------|
| | Less than 1 year | 1-2 year |
| (i) Micro Small and Medium Enterprises | | |
| (ii) Others | 3.19 | 21.17 |
| (iii) Disputed dues - Micro Small and Medium Enterprises | | |
| (iv) Disputed dues -Others | | |

where there is no due date, disclosure from the date of transaction is to be considered

11.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Trade payable other than acceptances include certain dues to Micro and Small Enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006 that have been determined based on the information available with the company and the required disclosures are given below:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-----------------------------|-----------------------------|
| a) Principal amount remaining unpaid | Nil | Nil |
| b) Interest due thereon | Nil | Nil |
| c) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payments made to the supplier beyond the appointed day during the year | Nil | Nil |
| d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006. | Nil | Nil |
| e) Interest accrued and remaining unpaid | Nil | Nil |
| f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises. | Nil | Nil |

12 Borrowings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-----------------------------|-----------------------------|
| Secured | | |
| Term loan from Banks | | |
| Term loan from financial institutions/ Corporates (Refer Note 12.1) | 583.18 | 797.36 |
| Loans repayable on demand from Banks | - | - |
| Unsecured | | |
| Term loan from Banks | - | - |
| Term loans from Corporates | 158.92 | 351.65 |
| Term loans from Others | - | - |
| Total (A) - Gross (Refer Note 31) | 742.10 | 1,149.01 |
| 1. Borrowings in India | 742.10 | 1,149.01 |
| 2. Borrowings outside India | | |

Note: There is no loan Liability measured at FVOCI or FVTPL or designated at FVTPL.

12.1 Nature of Security

Term loan taken from HDFC Limited is secured by personal guarantee of a director, pledge of property and Investments of a director and pledge of third party property, The loan has been closed, but securities to be received from HDFC Limited

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)*

The Equity shares held by the Company were pledged against the borrowings of the Company are as follows:

| Name of the lender | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Godavari Commercial Services Private Limited | 9,67,000 | 9,67,000 |
| HDFC Limited | - | 2,84,838 |
| Total | 9,67,000 | 12,51,838 |

12.2 Terms of Repayment

| Tenure (from the date of Balancesheet) | Rate of interest |
|--|------------------|
| upto twelve months | 15% to 17% |

12.3 Refer Note no 31 for non recognition of interest expense on the some of the borrowings.**13 Other Financial Liabilities**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Other Payables | | |
| (i) Statutory Payables | 3.36 | 2.32 |
| (ii) Interest accrued on Borrowings | 128.69 | 341.77 |
| (iii) Others (Refer note no 29 and 30) | 7,998.54 | 9,144.39 |
| Total | 8,130.58 | 9,488.47 |

14 Provisions

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------|----------------------|----------------------|
| For employee benefits | | |
| For gratuity | 3.60 | 1.17 |
| For compensated absences | 2.25 | 1.26 |
| Total | 5.85 | 2.43 |

15 Equity share capital

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Authorised | | |
| 2,00,00,000 (March 31, 2024 and March 31, 2023 : 2,00,00,000) Equity shares of ₹ 10/- each | 2,000.00 | 2,000.00 |
| Issued | | |
| 1,60,00,000 (March 31, 2024 and March 31, 2023 : 1,60,00,000) Equity shares of ₹ 10/- each | 1,600.00 | 1,600.00 |
| Subscribed and fully paid up | | |
| 1,28,72,493 (March 31, 2024 and March 31, 2023 : 1,28,72,493) Equity shares of ₹ 10/- each | 1,287.25 | 1,287.25 |
| Add : Forfeited Shares (Amount Originally paid up) | 132.38 | 132.38 |
| Total Equity | 1,419.63 | 1,419.63 |

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

| Particulars | No of shares |
|-------------------------------------|--------------------|
| Equity Shares of ₹ 10/- each | |
| As at March 31, 2022 | 1,28,72,493 |
| Add : Issued during the year | - |
| As at March 31, 2023 | 1,28,72,493 |
| Add : Issued during the year | - |
| As at March 31, 2024 | 1,28,72,493 |

(ii) Rights, Preferences and Restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held.

In the event of liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of Shareholders Holding more than 5% of the shares in the Company

| Name of Shareholder | March 31, 2024 No. of Shares | March 31, 2023 No. of Shares |
|---|---------------------------------|---------------------------------|
| Equity Shares of ₹ 10/- each | | |
| Giri Roadlines and Commercial Trading Private Limited | 12,19,171 | 12,19,171 |
| Dhruv Agarwal | 6,52,154 | 6,52,154 |
| Neera Agarwal | 9,58,265 | 9,58,265 |

(iv) Details of the shareholding of Promoters

| Shares held by the promoters at the end of the year | |
|---|---------------|
| Promoter name | No. of shares |
| 1. Bunny Investment & Finance Private Limited | 54,856 |
| 2. Gati Intellect systems Limited | 4,15,200 |
| 3. Jubilee Commercial & Trading Private Limited | 3,20,677 |
| 4. Giri Roadlines and Commercial Trading | 12,19,171 |
| 5. Manish Agarwal Benefit Trust | 3,80,343 |
| 6. Mahendra Kumar Agarwal & Sons HUF | 1,28,265 |
| 7. Mahendra Kumar Agarwal | 11,619 |
| 8. Dhruv Agarwal | 6,52,154 |
| 9. Manish Agarwal | 75 |

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)***16 Other Equity**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| 16.1 Statutory Reserve (Pursuant to Section 45 - IC of The RBI Act, 1934) (Refer Note 16.1.1) | | |
| Opening balance | 708.13 | 708.13 |
| Add: Transfer from retained earnings | | |
| Closing balance | 708.13 | 708.13 |
| 16.2 Securities Premium Account (Refer Note 16.2.1) | 1.63 | 1.63 |
| 16.3 General Reserve (Refer Note 16.3.1) | 352.18 | 352.19 |
| 16.4 Retained Earnings (Refer 16.4.1) | | |
| Opening balance | (2,269.49) | (2,158.73) |
| Add: Profit for the year | (47.97) | (251.03) |
| Add: Adjustment relating to Fair value of investments | 182.95 | 140.27 |
| Less: Amount transferred to Reserve Fund | | |
| Closing balance | (2,134.51) | (2,269.49) |
| 16.5 Other Comprehensive Income | | |
| Opening balance | (6,497.40) | (4,997.44) |
| Add: Other Comprehensive income/ (Loss) for the period | (2.70) | (1,359.68) |
| Add: Fair value of additional Corporate guarantee | | |
| Less: Adjustments relating to Fair value of investments - on sale of investments | (182.95) | (140.27) |
| Closing balance | (6,683.05) | (6,497.40) |
| Total | (7,755.61) | (7,704.93) |

Nature and Purpose of Reserves

16.1.1 Statutory reserve: Every year the Company transfers a of sum of not less than twenty per cent of net profit of that year as The conditions and restrictions for distribution attached to statutory reserves as specified in Section 45-IC(1) of The Reserve Bank of India Act, 1934:

- (1) Every non-banking financial company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.
- (2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal:
Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty one days by such further period as it thinks fit or condone any delay in making such report.
- (3) Notwithstanding anything contained in sub-section (1) the Central Government may, on the recommendation of the RBI and having regard to the adequacy of the paid-up capital and reserves of a NBFC in relation to its deposit liabilities, declare by order in writing that the provisions of sub-section (1) shall not be applicable to the NBFC for such period as may be specified in the order:
Provided that no such order shall be made unless the amount in the reserve fund under sub-section (1) together with the amount in the share premium account is not less than the paid-up capital of the NBFC.

16.2.1 Securities Premium Account: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

16.3.1 General Reserve: Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013

16.4.1 Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve, debenture redemption reserve, general reserve, dividends distributions paid to shareholders and transfer from debenture redemption reserve.

17 Interest income

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|----------------------------------|--------------------------------------|--------------------------------------|
| Interest on loans | - | - |
| Interest income from investments | - | - |
| Total | - | - |

Note: There is no loan asset measured at FVOCI or FVTPL or designated at FVTPL.

18 Other Operating income

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Bad Debt recovery | - | - |
| Profit on sale of Long term investments | 65.02 | - |
| Loss on sale from long term investments | - | - |
| Total | 65.02 | - |

19 Other income

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Profit on sale of Fixed Assets | - | - |
| Interest income on Fixed Deposits | 0.62 | - |
| Upfront fee | - | - |
| Miscellaneous income (Provision made in the earlier years) | 69.63 | - |
| Total | 70.25 | - |

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)***20 Finance Costs (Refer Note 31)**

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Loans from financial institutions and others | 52.31 | 152.97 |
| Other borrowing costs | - | - |
| Total | 52.31 | 152.97 |

21 Employee Benefit Expense

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Salaries and Wages | 46.31 | 32.68 |
| Contribution to Provident and other funds | 4.96 | 2.25 |
| Staff welfare expenses | 2.73 | 1.11 |
| Total | 54.01 | 36.03 |

22 Depreciation and Amortisation

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|-----------------------------------|--------------------------------------|--------------------------------------|
| Depreciation on tangible assets | - | 1.07 |
| Amortization on intangible assets | - | 0.47 |
| Total | - | 1.54 |

23 Other Expenses

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Rates and taxes | - | - |
| Travelling and conveyance | 2.54 | 2.57 |
| Printing and stationery | 0.23 | 0.23 |
| Legal and professional | 37.51 | 19.22 |
| Rent Paid | 7.08 | 8.33 |
| Auditors' Remuneration (Refer Note 23.1) | 1.18 | 1.06 |
| Listing Fee and Demat charges | 4.60 | 4.30 |
| Directors Sitting fees | 7.09 | 7.42 |
| Advertisement expenses | 1.92 | 1.52 |
| Loss on sale of investments | 0.00 | 10.94 |
| Miscellaneous | 10.35 | 4.95 |
| Total | 72.49 | 60.54 |

23.1 Auditors remuneration

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---------------------|--------------------------------------|--------------------------------------|
| Statutory audit fee | 0.40 | 0.20 |
| Limited review fees | 0.60 | 0.70 |
| Certifications | - | - |
| GST on the above | 0.18 | 0.16 |
| Total | 1.18 | 1.06 |

24 Contingent liabilities and commitments (to the extent not provided for)

| Particulars | March 31, 2024 | March 31, 2023 |
|---|-----------------------|-----------------------|
| Contingent liabilities | | |
| (a) Disputed Sales Tax demand | 0.64 | 0.64 |
| (b) Corporate Guarantees | | |
| The Company has provided Guarantee for: (A) redemption / buyback of the Optionally convertible Debentures subscribed by IFCI Venture Capital Funds Limited in Amrit Jal Ventures Private Limited (B). To the lenders of Gati Infrastructure Bhasmey Power Private Limited | 17,820.89 | 17,820.89 |
| (c) National Stock Exchange : Annual listing fee for FY 2021-22, 2022-23, 2023-24 | 10.62 | 16.40 |

25 Claims against the Company not acknowledged as Debts**Petition before NCLT, Hyderabad:**

During the year 2019-20, three shareholders of the Company filed a petition before National Company Law Tribunal (NCLT), Hyderabad Bench, against the Company and the management alleging oppression of minority shareholders and mismanagement of affairs of the Company with regard to investments and loans and advances to certain related parties. In the said petition, the petitioners also included the statutory auditors of the Company regarding reporting requirements of said transactions. The Company and the respondents have taken necessary measures to contest the petition before the Honourable NCLT Bench and the hearings are in progress.

26 Disclosures as per Clause 32 of the Listing Agreement with the Stock Exchanges as the entire investments in "ITAG Business Solutions Limited" (subsidiary) has been disposed with effect from 05.03.2019

There are no outstanding amounts with the ITAG Business solutions Limited as at March 31, 2024 and March 31, 2023.

27 Inter-Company loans/deposits given by the Company are on the basis that one of the main objects of the Company is to lend and is categorised as Loan Company. Accordingly, the Company has been advised that Section 186 of the Companies Act, 2013 is not applicable to the Company.**28 Investments - Sale of pledged shares by lenders**

- (i) During the year 2015-2016, the Company took a loan of Rs.5 Crores from Godavari Commercial Services Private Limited (Godavari) on the security of 10,00,000 equity shares of Gati Limited held by the Company. These shares re-pledged by Godavari with a third party, with the consent of the Company. The said shares were invoked by the third party in the year 2016-2017 on default by Godavari without there being any default by the Company. The Company took necessary legal recourse for restoration of the pledged shares and in terms of the settlement arrived at, Godavari agreed to restore the said invoked shares. During the financial year 2019-20, Godavari restored 33,000 shares and balance 9,67,000 shares were yet to be restored. In view of the settlement agreement and further

TCI FINANCE LIMITED**CIN:L65910TG1973PLC031293****Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024***(All amounts in Rs Lakhs, except share data and where otherwise stated)*

litigation raised by the Company, the said 9,67,000 equity shares in Gati Limited have been continued to be disclosed as **"Investments"**

- (ii) During the year 2015-2016, the Company has pledged 1,580,000 shares of Gati Limited held by the Company as Investments in favour of IDFC Bank Limited (IDFC) for facilities availed by M/s Gati Infrastructure Private Limited (GIPL) on receipt of Letter of Comfort from M/s Amrit Jal Ventures Private Limited (AJVPL) being the holding company of GIPL. The said shares were invoked by IDFC in the year 2016-2017 due to default made by GIPL. GIPL, AJVPL and the Company entered into a tripartite agreement for restoration of such invoked shares to the Company. The Company has accounted for the invoked shares and the value realised amounting to Rs 1875.03 lakhs has been shown as "Receivable". This amount was received on February 26, 2024.
- (iii) During the year 2014-2015, the Company has pledged 805,000 equity shares of Gati Limited held by the Company as Investments in favour of IFCI Ventures Limited (IFCIV) for facilities availed by M/s Amrit Jal Ventures Private Limited (AJVPL). AJVPL had repaid the said loan, the Company had made request to IFCIV for release of pledged shares. However, during the year ended March 31, 2018, IFCIV invoked the said shares and transferred the same to Green India Ventures Fund (GIVF) for certain dues payable by AJVPL. The Company has taken necessary legal recourse for the restoration of the invoked shares. In view of the above, the invoked 805,000 equity shares in Gati Limited have been continued to be disclosed as "Investments".
- 29 The Company in the earlier years, has given Corporate Guarantees to the lenders of AJVPL and it's wholly owned subsidiary – Gati Bhasmey Limited – aggregating to Rs. 31,336.71 Lakhs. During 2019–2020, (i) certain lenders of these entities have invoked the Guarantees and raised claims on the Company aggregating to Rs. 25,619.80 Lakhs. (ii) The Company made a provision of Rs. 7,798.91 Lakhs on an estimated basis considering the disputed nature of the claim and unlawful invocation of the corporate guarantee.
- 30 During the earlier years, the Company availed borrowings from certain lenders and by way of an amendment loan agreement, arranged the certain shares held by Mahendra Kumar Agarwal & Sons HUF and Manish Agarwal Benefit Trust (Guarantors) as an additional security for the said borrowings. The said lenders, due to defaults by the Company have sold these shares and recovered their respective dues fully. As a result of this sale of shares given as an additional security, the Company has recognised the liability in favour of guarantors to the extent of Rs. 364.25 Lakhs, being amount of loan extinguished by the lenders out of the sale proceeds of shares. Out of the said amount, the Company has paid an amount of Rs. 206.37 Lakhs and the balance of Rs. 157.88 Lakhs is outstanding as at March 31, 2024.
- During the year ended March 31, 2024, the above said lenders have invoked the shares given as gurantee by Mr. Mahendra kumar Agarwal and realised an amount of Rs. 38 Lakhs. The company has recognised liability of Rs. 38 Lakhs in favour of Mr. Mahendra Kumar Agarwal in place of original lenders.
- 31 The Company has not recognised interest expense of Rs. 62.44 Lakhs for the year ended March 31, 2024. Total interest expense not recognised, upto March 31, 2024, aggregates to Rs. 398.31 Lakhs. Consequently, loss for the year 2023-2024 is higher by Rs.62.44 Lakhs and as at March 31, 2024 and Other Equity (negative balance) and Borrowings were lower by Rs. 398.31 Lakhs.

32 Note on RBI Matters

1. The Company had received a letter from the Reserve Bank of India to surrender the Certificate of Registration (COR) for voluntary deregistration as NBFC on account of non maintenance of minimum Net owned Funds (NOF). The company had sought a further period of 12 months for augmenting the NOF.

- 33 **Going Concern:** The Company was having a negative networth of Rs. 6,285.31 Lakhs as at March 31, 2023. Due to adverse developments in the entities to whom the company has advanced loans / given guarantees / investments made, the Company had incurred these losses and adversely affect the future income from operations. These factors substantially affected the operations of the Company and indicated uncertainties relating to the going concern status of the Company. Management of the Company is in the process of identifying various alternatives /

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024

(All amounts in Rs Lakhs, except share data and where otherwise stated)

new areas to venture into for reviving the company. In view of the same, standalone Ind AS financial statements of the company have been prepared on going concern basis.

- 34** TCI Finance Limited, one of the noticee, received the SEBI notice dated December 08, 2021 for the non-compliance under Regulation 29(2) of the SAST Regulations and Open offer violations. In this connection SEBI provided an opportunity of being heard and after the hearing SEBI passed an order dated March 24, 2022 and imposed the penalty of Rs. 10,00,000 jointly and severally on all Noticees. The said penalty has been paid by one of the Promoters on May 03, 2022.

35 Employee Benefit Plans

a. Defined contribution plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.1,15,939/- (Previous year Rs.1,15,563/-) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

36 Earnings per share (EPS)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Profit for the year (Rs. in Lakhs) | (47.97) | (251.03) |
| Weighted average number of Equity Shares used in computing basic EPS | 128.72 | 128.72 |
| Weighted average number of Equity Shares used in computing diluted EPS | 128.72 | 128.72 |
| Basic Earnings per share (Rs.) | (0.37) | (1.95) |
| Diluted Earnings per share (Rs.) | (0.37) | (1.95) |

37 Maturity Analysis of Assets and Liabilities

| Particulars | As at March 31, 2024 | | | As at March 31, 2023 | | |
|-------------------------------|----------------------|--------------------|-----------------|----------------------|--------------------|-----------------|
| | Within 12 Months | After 12 Months | Total | Within 12 Months | After 12 Months | Total |
| Assets | | | | | | |
| Financial Assets | | | | | | |
| Cash and Cash Equivalents | 241.33 | - | 241.33 | 4.79 | - | 4.79 |
| Loans | - | - | - | - | - | - |
| Investments | - | 2,385.88 | 2,385.88 | - | 2,609.29 | 2,609.29 |
| Other financial assets | 4.37 | - | 4.37 | 1,878.67 | - | 1,878.67 |
| Non Financial Assets | | | | | | |
| Current tax assets | - | - | - | - | - | - |
| Deferred tax asset | - | - | - | - | - | - |
| Investment property | - | 88.16 | 88.16 | - | 88.16 | 88.16 |
| Property, Plant and Equipment | - | 35.27 | 35.27 | - | 35.27 | 35.27 |
| Other intangible assets | - | 0.21 | 0.21 | - | 0.21 | 0.21 |
| Total Assets | 245.70 | 2,509.52 | 2,755.21 | 1,883.46 | 2,732.93 | 4,616.39 |

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)*

| Particulars | As at March 31, 2024 | | | As at March 31, 2023 | | |
|-----------------------------|----------------------|-------------------|-------------------|----------------------|-------------------|-------------------|
| | Within 12 Months | After 12 Months | Total | Within 12 Months | After 12 Months | Total |
| Liabilities | | | - | | | - |
| Current tax liability | - | 45.48 | 45.48 | - | 45.54 | 45.54 |
| Trade payables | 3.19 | 21.17 | 24.36 | 36.15 | 21.50 | 57.65 |
| Borrowings | - | 742.10 | 742.10 | 336.00 | 813.01 | 1,149.01 |
| Other financial liabilities | 331.67 | 7,798.91 | 8,130.58 | 1,689.56 | 7,798.91 | 9,488.47 |
| Deferred tax liabilities | - | 142.81 | 142.81 | - | 158.59 | 158.59 |
| Provisions | - | 5.85 | 5.85 | - | 2.43 | 2.43 |
| Total Liabilities | 334.86 | 8,756.32 | 9,091.19 | 2,061.71 | 8,839.98 | 10,901.69 |
| Net | (89.17) | (6,246.81) | (6,335.98) | (178.25) | (6,107.06) | (6,285.31) |

38 Capital Management

The Company's objectives when managing capital are to :

Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors its capital using gearing ratio, which is net debt divided by total equity. Net debt includes long term borrowings, short term borrowings, current maturities of long term borrowings less cash and cash equivalents and other bank balances.

39 Fair value Measurement**(i) Valuation techniques and significant unobservable inputs**

The carrying amounts of financial assets and liabilities other than those valued at Level 1 and Level 2 are considered to be the same as their fair values due to the current and short term nature of such balances and no material differences in the values.

(ii) Levels 1, 2 and 3

Level 1 : It includes Investment in equity shares that has a quoted price and which are actively traded on the stock exchanges. It is been valued using the closing price as at the reporting period on the stock exchanges.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

TCI FINANCE LIMITED
CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024

(All amounts in Rs Lakhs, except share data and where otherwise stated)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at March 31, 2024, including their levels in the fair value hierarchy.

| Particulars | Note | Carrying amount | | | Fairvalue | | | | |
|------------------------------------|------|-----------------|-----------------|-----------------|-----------------------|--------------|------------|-----------------|-----------------|
| | | FVTPL | FVTOCI | Amortised cost | Total Carrying amount | Level - I | Level - II | Level - III | Total |
| Financial Assets | | | | | | | | | |
| Cash and cash equivalents | 3 | - | - | 241.33 | 241.33 | - | - | - | - |
| Loans | 4 | - | - | - | - | - | - | - | - |
| Investments | 5 | - | 2,385.88 | - | 2,385.88 | 2,344 | - | 41.57 | 2,385.88 |
| Other financial assets | 6 | - | - | 4.37 | 4.37 | - | - | - | - |
| Total Financial Assets | | - | 2,385.88 | 245.70 | 2,631.57 | 2,344 | - | 41.57 | 2,385.88 |
| Financial liabilities | | | | | | | | | |
| Borrowings | 12 | - | - | 742.10 | 742.10 | - | - | - | - |
| Trade payable | 11 | - | - | 24.36 | 24.36 | - | - | - | - |
| Other financial Liabilities | 13 | - | 7,798.91 | 331.68 | 8,130.58 | - | - | 7,798.91 | 7,798.91 |
| Total financial Liabilities | | - | 7,798.91 | 1,098.14 | 8,897.05 | - | - | 7,798.91 | 7,798.91 |

116

Off balance sheet items

Corporate guarantees **17,820.89**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at March 31, 2023, including their levels in the fair value hierarchy.

| Particulars | Note | Carrying amount | | | Fairvalue | | | | |
|------------------------------------|------|-----------------|-----------------|-----------------|-----------------------|--------------|------------|-----------------|-----------------|
| | | FVTPL | FVTOCI | Amortised cost | Total Carrying amount | Level - I | Level - II | Level - III | Total |
| Financial Assets | | | | | | | | | |
| Cash and cash equivalents | 3 | - | - | 4.79 | 4.79 | - | - | - | - |
| Loans | 4 | - | - | - | - | - | - | - | - |
| Investments | 5 | - | 2,609.29 | - | 2,609.29 | 2,568 | - | 41.57 | 2,609.29 |
| Other financial assets | 6 | - | - | 1,878.67 | 1,878.67 | - | - | - | - |
| Total Financial Assets | | - | 2,609.29 | 1,883.46 | 4,492.75 | 2,568 | - | 41.57 | 2,609.29 |
| Financial liabilities | | | | | | | | | |
| Borrowings | 12 | - | - | 1,149.01 | 1,149.01 | - | - | - | - |
| Trade payable | 11 | - | - | 57.65 | 57.65 | - | - | - | - |
| Other financial Liabilities | 13 | - | 7,798.91 | 1,689.56 | 9,488.47 | - | - | 7,798.91 | 7,798.91 |
| Total financial Liabilities | | - | 7,798.91 | 2,896.23 | 10,695.13 | - | - | 7,798.91 | 7,798.91 |

Off balance sheet items

Corporate guarantees **17820.89**

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)***40 Financial risk management**

- i The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's management risk policy is set by the Managing Board. The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks have been given below.

| Risk | Exposure arising from | Measurement |
|-----------------------------|--|----------------------|
| Credit risk | Loans and Investments | Ageing analysis |
| Liquidity risk | Borrowings and other financial liabilities | Cash flow forecasts |
| Market risk - Interest risk | Borrowings and other financial liabilities | Sensitivity analysis |

a. Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counter parties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and by monitoring exposures in relation to such limits.

The credit quality review process aims to allow the company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company manages liquidity risk by maintaining adequate 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 table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2024:

| Particulars | Carrying amount | Upto 1 year | 1-3 years | More than 3 years | Total contracted cash flows |
|-----------------------------|------------------------|--------------------|------------------|--------------------------|------------------------------------|
| Borrowings | | - | 158.92 | 583.18 | 742.10 |
| Trade payables | | 3.19 | 6.78 | 14.40 | 24.36 |
| Other financial liabilities | | 331.68 | | 7,798.91 | 8,130.58 |
| Total | - | 334.87 | 165.70 | 8,396.49 | 8,897.05 |

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

| Particulars | Carrying amount | Upto 1 year | 1-3 years | More than 3 years | Total contracted cash flows |
|-----------------------------|------------------------|--------------------|------------------|--------------------------|------------------------------------|
| Borrowings | | 336.00 | 298.50 | 514.51 | 1,149.01 |
| Trade payables | | 3.19 | 6.77 | 14.40 | 24.36 |
| Other financial liabilities | | 1,689.56 | | 7,798.91 | 9,488.47 |
| Total | - | 2,028.75 | 305.27 | 8,327.82 | 10,661.84 |

The table below provides details of financial assets as at :

| Particulars | March 31, 2024 | March 31, 2023 |
|------------------------|----------------|-----------------|
| Loans | - | - |
| Other financial assets | 4.37 | 1,878.67 |
| Total | 4.37 | 1,878.67 |

C. Market risk

Market Risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, etc. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximising the return.

(i) Pricing Risk

The Company's Investment in Financial instruments is exposed to pricing Risk

(ii) Interest Rate Risk

The company uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day-to-day operations. Further, certain interest bearing liabilities carry variable interest rates.

The sensitivity analysis below have been determined based on exposure to interest rate for both derivative and non-derivative instruments at the end of reporting period. For floating rate liabilities, analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year.

The Company's exposure to interest rates on financial instruments is detailed below:+

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Financial assets | | |
| Loans | - | - |
| Total interest rate dependent financial assets | | |
| Financial liabilities | | |
| Borrowings | 742.10 | 1,149.01 |
| Total interest rate dependent financial liabilities | | |

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the company's profit before tax is affected through the impact on floating rate borrowings, as follows:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------|----------------------|----------------------|
| On borrowings | | |
| Increase by 50 basis points | (3.71) | (5.75) |
| Decrease by 50 basis points | 3.71 | 5.75 |
| Loans | | |
| Increase by 50 basis points - | - | - |
| Decrease by 50 basis points | - | - |

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)***Off-setting of balances - NIL**

The table below summarises the financial liabilities offsetted against financial assets and shown on a net basis in the balance sheet :

Financial assets subject to offsetting

| Particulars | Offsetting recognised on the balance sheet | | |
|------------------------------|--|---------------|-----------------------------|
| | Gross before offset | Amount netted | recognised in balance sheet |
| Financial Assets | | | |
| As at March 31, 2024 | | | |
| As at March 31, 2023 | | | |
| Financial Liabilities | | | |
| As at March 31, 2024 | | | |
| As at March 31, 2023 | | | |

(ii) Impairment of financial assets

The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for trade advances. The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company. The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss).

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. "Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has grouped its loan portfolio into Business Loans, Secured loans for new vehicles, Secured loans for used vehicles and Equipment Finance Loans and large borrowers with exposure over Rs. 1 crore.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The company classifies all standard advances and advances upto 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2 - All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk.

Stage 3 - All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for eg. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

41 Disclosure of Related Party Transactions for the year ended on Mar 31, 2024

In pursuance of Regulation 23(9) of SEBI (Listing Obligations and Disclosures Requirements)

As per Ind AS 24 on 'Related party disclosures', the related parties of the Company are as follows:

A. Enterprises having significant influence

Mahendra Kumar Agarwal & Sons HUF

Manish Agarwal Benefit Trust

P D Agarwal Foundation

B. Key Management Personnel

Mr Amit Kumar Ray

Chief Manager

Mr Santhosh Kumar

Chief Financial Officer

Ms Deeksha Varma

Company Secretary (Resigned)

Mr Jasminder Singh

Company Secretary (with effect from Dec 1, 2023)

C. Chairman / Directors

Dr. Dhanpat Ram Agarwal

Chairman (Independent Director)

Mr. Mahendra Kumar Agarwal

Director (Non Executive Non Independent Director)

Mr. Rajesh Kundra

Independent Director (Resigned)

Ms. Meera Madhusudhan Singh

Director (Non Executive Non Independent Director)

Mr. Arun Kumar Agarwal

Director (Non Executive Non Independent Director)

Mr. Sri Ram Rajeev Kumar Yeerla

Director (Non Executive Non Independent Director)

Mr. Nitin Chandrakant Desai

Additional Independent Director

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)***Transactions during the year with related parties**

| Particulars | For the year 2023-2024 | For the year 2022-2023 |
|--|-----------------------------------|-----------------------------------|
| Interest income | | |
| Mahendra Investment Advisors Private Limited | - | - |
| Rent expense | | |
| P D Agarwal Foundation | 4.86 | 7.62 |
| Office Maintenance | | |
| P D Agarwal Foundation | - | - |
| Other financial assets | | |
| Gati Infrastructure Pvt Ltd | - | - |
| Provision for impairment allowance | | |
| Mahendra Investment Advisors Private Limited - Loans | - | - |
| Borrowings repaid | | |
| Ms. Meera Madhusudhan Singh | - | - |
| Other financial liabilities - Amounts received | | |
| Mahendra Kumar Agarwal & Sons HUF | 41.97 | 5.39 |
| Manish Agarwal Benefit Trust | - | - |
| Mahendra Kumar Agarwal | - | 19.00 |
| Mahendra Kumar Agarwal (Shares) | - | 1,215.04 |
| Amount paid towards the other financial liabilities | | |
| Mahendra Kumar Agarwal & Sons HUF | - | 1.65 |
| Manish Agarwal Benefit Trust | 41.97 | - |
| Mahendra Kumar Agarwal | - | 40.20 |
| Mahendra Kumar Agarwal (Shares) | 1,177.04 | - |
| Other financial assets | | |
| Mahendra Investment Advisors Private Limited | | |
| Given during the year | - | - |
| Recovered during the year | 69.62 | - |
| Key Management Personnel | | |
| Ms Deeksha Varma (Resigned) | 3.56 | 4.23 |
| Mr Jasminder Singh (with effect from Dec 1, 2023) | 2.08 | - |
| Mr Santhosh Kumar | 5.75 | 6.54 |
| Mr Amit Kumar Ray | 9.53 | 10.13 |

Non Whole time directors sitting fee

| Particulars | For the year 2023-2024 | For the year 2022-2023 |
|----------------------------|-----------------------------------|-----------------------------------|
| Dr Dhanpat Ram Agarwal | 1.71 | 1.86 |
| Ms Meera Madhusudan singh | 1.65 | 1.67 |
| Mr Rajesh Kundra | 1.39 | 1.86 |
| Mr Nitin Chandrakant Desai | 0.30 | - |
| Mr Arun Kumar Agarwal | 0.30 | 0.45 |
| Mr Y S R Rajeev Kumar | 0.75 | 0.45 |

Balances outstanding Debit/(Credit) as at period / year end

| Particulars | For the year 2023-2024 | For the year 2022-2023 |
|--|-----------------------------------|-----------------------------------|
| Loans | | |
| Mahendra Investment Advisors Private Limited | - | 4,181.51 |
| Amritjal Ventures Private Limited | - | - |
| Interest accrued on short term loans and advances | | |
| Mahendra Investment Advisors Private Limited | - | - |
| Amritjal Ventures Private Limited | - | - |
| Provision for impairment allowance: | | |
| Amritjal Ventures Private Limited - Provision for interest accrued and due | - | - |
| Amritjal Ventures Private Limited - Provision for Loans | - | - |
| Mahendra Investment Advisors Private Limited - Loans | - | 4,181.51 |
| Mahendra Investment Advisors Private Limited - Interest receivable | | |
| Other financial assets | | |
| Gati Infrastructure Pvt Ltd | - | 1,875.03 |
| Trade Payable | | |
| P D Agarwal Foundation - Rent | - | 30.67 |
| Other financial liabilities | | |
| Mahendra Kumar Agarwal & Sons HUF | 107.02 | 3.74 |
| Manish Agarwal Benefit Trust | 50.87 | 92.84 |
| Mahendra Kumar Agarwal | - | 30.80 |
| Mahendra Kumar Agarwal (Shares) | 38.00 | 1,215.04 |
| Managerial Remuneration payable | | |
| Ms Deeksha Varma (Resigned) | - | 0.36 |
| Mr Jasminder Singh (with effect from Dec 1, 2023) | 1.04 | - |
| Mr Santhosh Kumar | 0.52 | 0.47 |
| Mr Amit Kumar Ray | 0.71 | 0.89 |
| Corporate guarantee (Off Balance Sheet item) | | |
| Amritjal Ventures Private Limited and its subsidiary | 7,798.91 | 7,798.91 |

Note: Related parties have been identified by the management

42 Previous year figures are regrouped wherever necessary to make comparable with the current year figures

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)***43 Title deeds of the immovable properties not held in the name of the company :**

| Relevant line item in the Balance sheet | Description of item of property | Gross carrying value | Title deeds held in the name of | Whether title deed holder is promoter, director or relative of promoter / director or employee of promoter / director | Property held since which date | Reason for not being held in the name of the company |
|---|---------------------------------|----------------------|---|---|--------------------------------|--|
| Property, Plant & Equipment | Land | 1,68,025 | Neera Finance & Investment Private Limited | No | 01-04-2001 | Property received as per Amalgamation |
| Property, Plant & Equipment | Land | 6,00,000 | Growwell Commercial & Trading Private Limited | No | 01-04-2001 | Property received as per Amalgamation |

44 Wilful defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial period & years ended June 30, 2023 and March 31, 2024.

45 Relationship with struck off companies

No transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2024 and March 31, 2023.

46 Analytical Ratios

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------|----------------------|----------------------|
| Tier I CRAR | | |
| Share capital | 1,419.63 | 1,419.63 |
| Statutory Reserve | 708.13 | 708.13 |
| Total | 2,127.76 | 2,127.76 |
| Risk Weighted Assets | 2,513.88 | 4,611.60 |
| Ratio | 84.64 | 46.14 |

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------|----------------------|----------------------|
| Tier II CRAR | | |
| General Reserve | 352.19 | 352.19 |
| Risk Weighted Assets | 2,513.88 | 4,611.60 |
| Ratio | 14.01 | 7.64 |

| | | |
|-----------------------------|-----------------|-----------------|
| Total capital | 2,479.95 | 2,479.95 |
| Risk Weighted Assets | 2,513.88 | 4,611.60 |
| Ratio | 98.65 | 53.78 |

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------|-----------------------------|-----------------------------|
| Risk Weighted Assets | | |
| Loan | - | - |
| Investments | 2,385.88 | 2,609.29 |
| Other financial assets | 4.37 | 1,878.67 |
| Investment property | 88.16 | 88.16 |
| Property, Plant and Equipment | 35.27 | 35.27 |
| Other intangible assets | 0.21 | 0.21 |
| | 2,513.88 | 4,611.60 |

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------|-----------------------------|-----------------------------|
| Liquidity Coverage ratio | | |
| Trade payables | 24.36 | 57.65 |
| Borrowings | 742.10 | 1,149.01 |
| Other financial liabilities | 8,130.58 | 9,488.47 |
| Deferred tax liabilities (Net) | 142.81 | 158.59 |
| | 9,039.86 | 10,853.72 |
| Total Equity | (6,335.98) | (6,285.31) |
| Ratio | (142.67) | (172.68) |

47 Details of Crypto Currency or Virtual Currenc

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2024 and March 31, 2023.

48 Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2024 and March 31, 2023.

49 Undisclosed income

There are no transactions not recorded in the books of accounts.

50 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2024. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

51 Details of CSR expenses

The Company has not made any provision for CSR expenditure during the financial years ended March 31, 2024 and March 31, 2023 due to Section 135 is not applicable.

52 Note on RBI Matters

The Company had received a letter from the Reserve Bank of India to surrender the Certificate of Registration (COR) for voluntary deregistration as NBFC on account of non maintenance of minimum Net owned Funds(NOF). The company had sought a further period of 12 months for augmenting the NOF.

TCI FINANCE LIMITED

CIN:L65910TG1973PLC031293

Notes forming part of the Standalone IND AS Financial Statements for the year ended March 31, 2024*(All amounts in Rs Lakhs, except share data and where otherwise stated)***53 Disclosure in Notes to Financial Statements**

| 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 Assets | | | | | | |
| Standard | Stage 1 | - | - | - | | |
| | Stage 2 | - | - | - | | |
| Subtotal | | | | | | |
| Non-Performing Assets (NPA) | | | | | | |
| Substandard | Stage 3 | - | - | - | - | - |
| Doubtful - up to 1 year | Stage 3 | - | - | - | | |
| 1 to 3 years | Stage 3 | - | - | - | | |
| More than 3 years | Stage 3 | - | - | - | | |
| Subtotal for doubtful | Stage 3 | - | - | - | | |
| Loss | Stage 3 | - | - | - | - | - |
| Subtotal for NPA | | - | - | - | - | - |
| Other items such as guarantees, loan commitments, etc. which are in the scope of Ins AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms | Stage 1 | - | - | - | | |
| | Stage 2 | - | - | - | | |
| | Stage 3 | - | - | - | | |
| Subtotal | | | | | | |
| Total | Stage 1 | - | - | - | | |
| | Stage 2 | - | - | - | | |
| | Stage 3 | - | - | - | - | - |
| | Total | - | - | - | - | - |

As per our report of even date attached.

For G.D.Upadhyay & Co.,

Chartered Accountants

Firm Regd No 05834S

For and on behalf of the Board

TCI Finance Limited**D R Agarwal**

Chairman, DIN No: 00322861

Mahendra Kumar Agarwal

Director, DIN No : 00179779

Inderjeet Upadhyay

Partner, M.No 220791

UDIN : 24220791BKFAKX8946

S Jasminder Singh

Company Secretary

M.No. : A20640

V. Santhosh Kumar

Chief Financial Officer

Amit Kumar Ray

Manager

Hyderabad, May 08, 2024