

December 12, 2024

**National Stock Exchange of India Ltd.**

Exchange Plaza, C-1, Block G, Bandra Kurla Complex,  
Bandra (E), Mumbai - 400 051.

**Symbol: TCIFINANCE**

Dear Sir/Madam,

**Sub: Clarification regarding unaudited results for the Quarter for September 30, 2024**

**Ref: Email of NSE dated 11-12-2024**

With reference to the above subject, we hereby inform you that

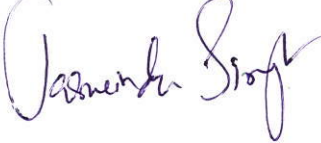
1. The Financial results have been signed by authorized signatory. The certified true copy of the resolution passed by BOD in the meeting held on 13<sup>th</sup> November, 2024 is enclosed.
2. Limited Audit Review (LAR) without UDIN was uploaded by oversight. We are enclosing the Copy of the LAR with UDIN.

This is for your information and records.

Thanking You,

Yours faithfully

For TCI Finance Limited



**S Jasminder Singh**  
**Company Secretary & Compliance officer**



**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF BOARD OF DIRECTORS OF TCI FINANCE LIMITED HELD ON WEDNESDAY, 13<sup>TH</sup> NOVEMBER, 2024 THROUGH VIDEO CONFERENCING**


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**APPROVAL OF THE STANDALONE UNAUDITED FINANCIAL RESULTS ALONG WITH LIMITED REVIEW REPORT FOR THE SECOND QUARTER ENDED SEPTEMBER 30, 2024**

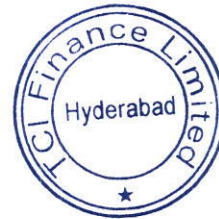
“RESOLVED THAT the standalone unaudited Financial statements of the Company for the quarter ended September 30, 2024 along with the limited review report be and are hereby approved, adopted and taken on record as per Clause 33 of the SEBI (LODR) Regulations, 2015.”

“RESOLVED FURTHER THAT Mr. I M Usman Sheriff (DIN:02794895) be and is hereby authorized to sign the same for publication in newspapers and submit to the Stock Exchanges as required under Regulation 33 and 47 of the SEBI (LODR) Regulations, 2015.”

**//CERTIFIED TRUE COPY//  
FOR TCI FINANCE LIMITED**



**S JASMINDER SINGH  
COMPANY SECRETARY  
(M.NO – 20640)**





**G.D. UPADHYAY & CO.**

**CHARTERED ACCOUNTANTS**

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**Independent Auditor's Limited Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended**

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**Limited Review Report  
To  
The Board of Directors  
TCI Finance Limited**

We have reviewed the accompanying statement of unaudited financial results of TCI Finance Limited for the Quarter ended 30th September, 2024 ("the statement") being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019.

Attention is drawn to the fact that the figures for the corresponding quarter ended 30<sup>th</sup> September, 2024, as reported in these financial results have been approved by the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance about whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.





### **Basis for Qualified Conclusion:**

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. The Company has treated the balance amount of liability Rs.17,820.89 Lakhs as contingent liability in its interim financial reporting. 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 quarter and accordingly the other equity (negative balance) will be higher by Rs.17,820.89 Lakhs.

b. Note no 4 (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 treat the said equity shares as investment at fair value as at September 30, 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.1,092.23 Lakhs. Considering that the investments have been sold, we are unable to comment on the appropriateness of said treatment. 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 quarter and other equity as at September 30, 2024.

c. Note no 4 (b) 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 September 30, 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.909.25 Lakhs Considering that investments have been sold, we are unable to comment on the appropriateness of treatment 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 quarter and other equity as at September 30, 2024.

- d. Note no 6 regarding preparation of 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 as a going concern.
- e. Note no 8 regarding non recognition of interest expense of Rs 41.62 Lakhs for the Quarter ended September 30, 2024 for the reasons stated in the said note. The interest expenses not recognised, upto September 30, 2024 aggregates to Rs 439.93 Lakhs. Consequently the loss for the Quarter is higher by Rs 41.62 Lakhs and Other Equity (negative balance) and borrowings are lower by Rs 439.93 Lakhs.

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

**Qualified Conclusion:**

Based on our review 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 unaudited 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.



**Emphasis of Matter:**

We draw attention to following notes to the financial results:

- a. Note no 7 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.

**Place:** Hyderabad

**Date:** 13 /11/2024

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



**(Inderjeet Upadhyay)**

Partner

M.No 220791

UDIN: 24220791BKFARQ7975