

50th ANNUAL REPORT

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BOARD OF DIRECTORS*Chairman***Thiru.T.Udhayachandran, I.A.S.***Managing Director***Tmt.Pooja Kulkarni, I.A.S.***Directors:***Thiru.Shunchonngam Jatak Chiru, I.A.S.****Thiru.Mangat Ram Sharma, I.A.S.****Thiru.Pratik Tayal, I.A.S.****Thiru.A.K.Venugopal, F.C.A.****Tmt.G.Geetha, F.C.A., D.I.S.A.(ICAI)**

MANAGEMENT	Thiru.V.Venkatarajan, M.Com., A.C.M.A., PGDFM. Chief Executive Officer
	Tmt.J.Malarvizhi Sheela, M.B.A., A.C.S. (Inter), M.S.W., Chief Financial Officer B.G.L., D.L.L.
	Tmt.S.S.Sruthi, B.Com., A.C.S. Company Secretary
REGISTERED OFFICE	Tamil Nadu Tourism Complex, IV th Floor 2, Wallajah Road, Chennai – 600 002.

BANKERS Indian Overseas Bank State Bank of India	STATUTORY AUDITORS M/s. Vivekanandan Associates, No.4/22, First Cross Street, Ragavan Colony,Ashok Nagar,Chennai - 600 083.	SECRETARIAL AUDITOR A.K.Jain & Associates, Company Secretaries No.2, New No.3, (1st Floor) Raja Annamalai Road, Purasawalkam, Chennai - 600 084.
	M/s. A.Ambalatharasan & Associates, Charatered Accountants, New No.76, 2nd Floor,Rameswaram Road, T.Nagar, Chennai - 600 017.	
INTERNAL AUDITORS M/s. Ganesh Prasad Chartered Accountants “Krishna” Plot No: 802/2, Door No.28 64th Street, 10th Sector, K.K.Nagar, Chennai - 600 078.		DEPOSIT COLLECTION CENTRE SETC Bus Stand Complex Gandhipuram, Coimbatore

**TAMILNADU TRANSPORT DEVELOPMENT FINANCE
CORPORATION LIMITED, CHENNAI - 02.**

(A Government of Tamilnadu Undertaking)

**Regd. Office: Tamilnadu Tourism Complex, 4th Floor,
No.2, Wallajah Road, Chennai-600 002.**

CIN No.: U65191TN1975SGC006887

E-mail : corporate@tdfc.in

Ref.: 021/SECY/TDFC/2025/50th AGM

Date : 09.10.2025

SHORT TERM NOTICE

The Short Term Notice is hereby given that the 50th Annual General Meeting of Tamil Nadu Transport Development Finance Corporation Ltd., Chennai will be held on 16.10.2025 at 01.00 P.M., in the Old Conference Hall, 2nd Floor, Secretariat, Chennai - 09 to transact the following business.

ORDINARY BUSINESS :

- 1) To receive, consider and adopt the Audited Statements of Accounts for the year ended 31st March 2025 and the Reports of Directors and Auditor thereon.
- 2) To declare dividend @ 0.1434% on Paid up Equity Share Capital for the financial year 2024-25.
- 3) To Appoint and fix the remuneration of Statutory Auditors for the Financial Year 2025-2026.

SPECIAL BUSINESS :

- 4) To consider the proposal for increasing the Borrowing Power of the Corporation from the existing limit of Rs.7000/- Crores to Rs.8000/- Crores.
- 5) Any other Subjects

/BY ORDER OF THE BOARD/

Place : Chennai-2
Date : 09.10.2025

(V.VENKATARAJAN)
CHIEF EXECUTIVE OFFICER

To
All Shareholders/
M/s. Vivekanandan Associates.
Chartered Accountants, Chennai

M/s. A Ambalatharasan & Associates,
Chartered Accountants.

NOTES :

- 1) A member entitled to attend and vote at Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.
- 2) The Proxy form should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.
- 3) If the final dividend as recommended by the Board of Directors is approved at the AGM, payment of such dividend will be made on or before 16th November 2025 (One month duration)

DIRECTORS' REPORT

To,

The Members,

Your Directors have great pleasure in presenting the **50th Annual Report** together with the Financial Statements of the Company for the year ended 31.03.2025.

The total revenue during the year was Rs.1383.58 Crores as against Rs.1230.29 Crores in the previous year which was 12.46% higher than 2023-2024.

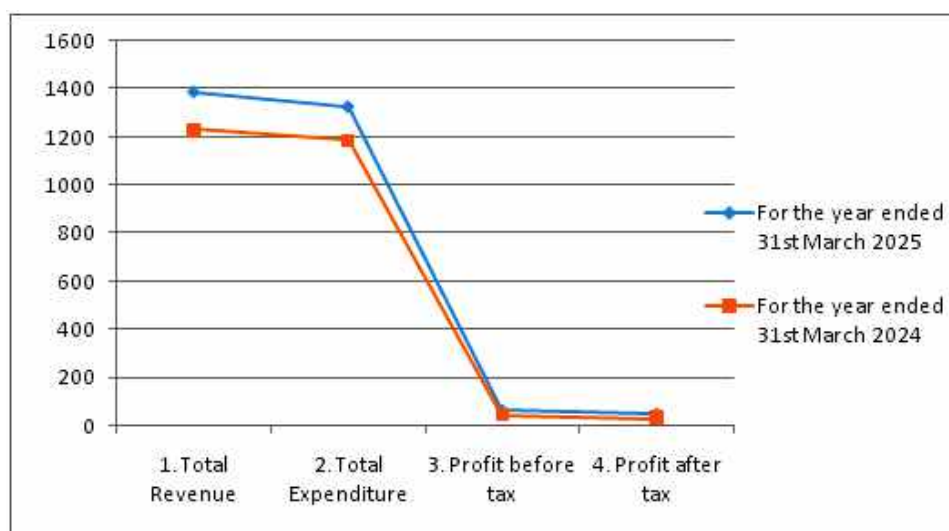
The performance of your Company for the period under review has resulted in a profit of Rs.46.56 Crores after tax as against profit of Rs.29.83 Crores in the previous year.

The summarized financial result of the Corporation is furnished below:

1. FINANCIAL RESULTS:

(Rs. in crores)

Particulars		For the year ended	
		31 st March 2025	31 st March 2024
1.	Total Revenue	1383.58	1230.29
2.	Total Expenditure	1323.04	1186.97
3.	Profit before tax	60.54	43.32
4.	Profit after tax	46.56	29.83



2. DIVIDEND:

The Board of Directors of your Company happy to recommend Dividend @ 10.74% on Net Profit of Rs.4656.21 lakhs for the year 2024-2025 which is Rs.500 lakhs. Out of this a sum of Rs.400 lakhs (0.1147% on paid up Equity Share Capital) has been declared as Interim Dividend for this year in the Extra-Ordinary General Meeting held on 19.03.2025 as per the Government Lr.No.30667/Finance/BPE/2023 Dt 13.12.2023 and the same has been distributed to the shareholders.

3. DEPOSITS:

The cumulative deposit of the Company as on 31.03.2025 was Rs.10430.72 Crores as against Rs.9669.20 Crores on 31.03.2024. The net deposit has increased by Rs.761.52 Crores registering a growth rate of 7.88%. The number of depositors as on 31.03.2025 is 1,37,861.

4. FINANCIAL ASSISTANCE:

During the year under review Assets Financing was sanctioned to the State Transport Undertakings as detailed below:

Purchase of Chassis		New Bus Body Building		Renovation of Buses		Total (Rs.)
Nos.	Amount (Rs.)	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)	
2404	693,64,20,871	2179	381,42,38,293	660	101,54,25,286	11,76,60,84,450

The Company has also released Short Term Loan of Rs.5728.66 Crores towards Term Loan / Short Term Loan for working capital requirements of STUs as against Rs.5002.98 Crores was released during the previous year.

The Company has availed Cash Credit facility for Rs.900 Crores from SBI vide G.O.Ms.No.113 Transport (TI) Dept. dt.04.07.2019 Rs.197.02 crore vide G.O.Ms.No.54 Transport (TI) Department dt. 07.06.2022 and Rs.223.09 crore vide G.O.Ms.No.10 Transport (TI) Department dt.23.01.2024 to Streamline existing working capital arrangements with Banks and bring down rate of interest.

During the year under review the Company has availed Rs.4555.00 crore of Working Capital Loan to meet out the STUs Working Capital requirement viz. Rs.3555.00 crores from State Bank of India and Rs.1000 crores from Canara Bank. The Loan availed and due were repaid fully on due dates without any default.

The cash recovery ratio of loan of your Company was 51.92% during 2024-2025, as against 50% in 2023-2024. The overall recovery ratio including adjustment of Government Assistance was 100% in 2024-25 and the same was in 2023-2024.

During the year 2024-25, the State Government have released Rs.1651.00 Crores towards students concession bus pass reimbursement, Rs.1803.00 Crores towards Diesel subsidy, Rs.3216.82 Crores towards Women Free Travel Subsidy, Rs.30.00 Crores towards Accident claim settlement fund and Equity Share Capital contribution to all STUs through TDFC Ltd. Out of this a sum of Rs.6440.53 Crores were adjusted against the loan repayable by the STUs to TDFC Ltd.

5. RATING:

We have obtained rating for Bank Facilities and for Fixed Deposit Programme from M/s. ICRA Ltd. and M/s.Care Edge on 07.01.2025 and 08.01.2025 respectively as below :

Instrument	Previous Rated Amount (Rs. in crores)	Current Rated Amount (Rs. in crores)	Long Term Rating Scale
Long-term Bank Facilities Cash Credit	1348.09	1348.09	[ICRA]BBB+(CE)(Stable); reaffirmed
Short-term Bank Facilities	2094.00	2055.00	[ICRA]A2(CE);reaffirmed
LT Fund Based Term Loan	90.00	90.00	[ICRA]BBB-(Stable) reaffirmed
Long Term/Short Term – Unallocated	467.91	506.91	[ICRA]BBB-(Stable)/ [ICRA]A3; reaffirmed
Fixed Deposit Programme	4000.00	4000.00	[ICRA]BBB-(Stable);reaffirmed
Long-term Bank Facilities	1000.00	2500.00	CARE BBB; (RWD)
Short Term Facilities	2000.00	500.00	CARE A3 (RWD)
Total	11,000.00	11,000.00	

6. RESERVES:

During the period under report, a sum of Rs.3.49 Crore as General Reserve and Rs.9.31 Crore as Special Reserve has been transferred from Profit and Loss Account.

7. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT:

As on March 31, 2025, there were no outstanding loans or guarantees covered under the provisions of Section 186 of the Companies Act. The details of the investments made by Company are given in the notes to the Financial Statements.

8. DETAILS OF THE BOARD MEETING HELD DURING 2024 - 2025 :**a. Board Composition :**

Chairman	Thiru. T. Udhayachandran, I.A.S.
Managing Director	Tmt. Pooja Kulkarni, I.A.S.
Non-Executive Directors	Thiru. K. Phanindra Reddy, I.A.S
	Dr. Beela Venkatesan, I.A.S
	Tmt. Pooja Kulkarni, I.A.S.
	Thiru. Pratik Tayal, I.A.S
Independent Director	Thiru. A. K. Venugopal
Woman cum Independent Director	Tmt. G. Geetha

b. Number of Board Meetings held :

The details of Board Meetings are given below:

Date	Board Strength	No. of Directors Present
08.04.2024	8	8
29.07.2024	8	8
26.11.2024	8	7
19.03.2025	8	7

c. Changes in Directors / KMP :

Sl.No.	Date	Name of transferor (TVL/TMT)	No of Shares transferred	Name of transferee (TVL/TMT)
1.	19.06.2024	Prashant M Wadnere, I.A.S	10	Pooja Kulkarni, I.A.S.
2.	24.07.2024	R.Ambalavanan, IA & AS	10	Pooja Kulkarni, I.A.S.
3.	31.07.2025	K.Phanindra Reddy, I.A.S.	10	Shunchonngam Jatak Chiru, I.A.S.

During the year, Tmt. Pooja Kulkarni, IAS has been appointed as the Managing Director.

During the period under report, Thiru. Prashant M Wadnere, IAS; and Thiru. R. Ambalavanan, IA & AS have relinquished their Directorship as per the orders of the Government of Tamilnadu.

During the year, Thiru. Shunchonngam Jatak Chiru, IAS has been appointed as the Director.

During the period under report, Thiru.K.Phanindra Reddy, IAS; have relinquished their Directorship as per the orders of the Government of Tamilnadu.

The Board of Directors wishes to place on record the valuable services rendered by the outgoing Directors.

d. Independent Directors:

During the year under report, Thiru A. K. Venugopal, F.C.A, served as an Independent Director of the company, and Tmt. G. Geetha, B.Com., F.C.A., DISA (ICAI), served as an Independent cum Woman Director of the company.

All Independent Directors have given declaration that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act,2013.

9. SHARE CAPITAL

During the period under report the Authorised Share Capital of the Company is Rs.4500.00 crores and the Paid-up Equity Capital of the Company is Rs.3487,02,72,580/-

Shareholding Pattern:

Sl.No.	Name	No. of Shares held	Book Value (Rs.10/- per Share)
1	Hon'ble Governor of Tamil Nadu	348,70,27,158	3487,02,71,580
2	T. Udhayachandran, I.A.S	50	500
3	Pooja Kulkarni, I.A.S.	20	200
4	Pratik Tayal, I.A.S	10	100
5	K. Phanindra Reddy, I.A.S	10	100
6	Dr. Beela Venkatesan, I.A.S	10	100
	Cessation as on 24.07.2025		

10. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements u/s 134(3) (C) of the Companies Act, 2013 your Directors hereby state and confirm

- That in the preparation of the Financial Statements for the year ended 31st March 2025, the applicable accounting standards have been followed along with proper explanation relating to material departure, if any.
- That they have selected such accounting policies and applied them consistently and made judgements 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.
- That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities.
- That the Financial Statements for the year ended 31st March 2025 have been prepared on a going concern basis; and
- That proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.
- That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- As per RBI direction the accounts have been prepared in compliance with IND AS guidelines.

11. COMMITTEE:**A. AUDIT COMMITTEE:**

The Audit Committee has been constituted under section 177 of the Companies Act, 2013 consisting of following three Directors as members.

- | | | | |
|------|--------------------------------------|---|----------|
| i) | Finance Director, Finance Department | - | Chairman |
| ii) | Independent Director | - | Member |
| iii) | Woman cum Independent Director | - | Member |

The Committee reviewed the financial Statements, budget estimates and observations of the Internal Auditors.

During the year 2024-2025, the Committees meetings were held on 08.04.2024, 13.06.2024, 08.11.2024 & 19.03.2025.

B. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee has been constituted as per RBI Notification No:DNBR.019/CGM(CDS)-2015 dt.10.04.2015. Presently, the following three Directors are Members of the Committee.

- | | | | |
|----|--|---|----------|
| 1) | Chief Executive Officer,
Tamilnadu Infrastructure Development Board | - | Chairman |
| 2) | Managing Director, TDFC Ltd., | - | Member |
| 3) | Independent Director, TDFC Ltd., | - | Member |

During the year 2024-25, Risk Management Committee Meetings were held on 26.07.2024 & 11.03.2025.

C. ASSET - LIABILITY MANAGEMENT COMMITTEE (ALCO):

The Asset Liability Management Committee (ALCO) is functioning as per RBI Notification No: DNBR.019/CGM(CDS)-2015 dt.10.04.2015. Presently the following Directors are Members of the Committee.

- | | | | |
|----|--------------------------------------|---|----------|
| 1) | Finance Director, Finance Department | - | Chairman |
| 2) | Managing Director, TDFC Ltd., | - | Member |
| 3) | Independent Director, TDFC Ltd., | - | Member |

During the year the ALCO Meetings were held on 13.06.2024, 08.11.2024 & 19.03.2025.

D. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee has been constituted as per Section 178(1) of the Companies Act 2013. The main objective of this Committee is to resolve the grievances of deposit holders of Company. This Committee consists of the following Members:

- | | | | |
|----|--|---|----------|
| 1. | Finance Director, Finance Department | - | Chairman |
| 2. | Managing Director, TDFC Ltd., | - | Member |
| 3. | Independent Director, TDFC Ltd., | - | Member |
| 4. | Woman cum Independent Director, TDFC Ltd., | - | Member |

The Stakeholder Relationship Committee oversees the grievances of the Deposit holders and redresses the grievances.

However, during the Year the Committee members have reviewed the complaints received and redressed, also they have taken continuous effort to redress the pending 19 Numbers of Complaints received from various depositors and members and taking further steps to reduce the grievances of the deposit holders.

During the year the Stakeholders Relationship Committee Meetings were held on 13.06.2024, 08.11.2024 & 19.03.2025.

E. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee has been constituted as per Section 178(1) of the Companies Act, 2013. The main objective is to appoint Senior Management excluding Board of Directors comprising all members of management one level below the Executive Directors. The Committee consists of the following Members :

- | | | | |
|----|--|---|----------|
| 1. | Chief Executive Officer,
Tamilnadu Infrastructure Development Board | - | Chairman |
| 2. | Managing Director, TDFC Ltd., | - | Member |
| 3. | Independent Director, TDFC Ltd., | - | Member |
| 4. | Woman cum Independent Director, TDFC Ltd., | - | Member |

During the year under review, the Committee has evaluated the performance of Key Managerial Personnel and Employees of the Company and the same were considered by the Board of Directors of the Company.

During the year the Nomination and Remuneration Committee Meetings were held on 26.07.2024 & 11.03.2025.

F. INFORMATION TECHNOLOGY STRATEGY COMMITTEE:

The Information Technology Strategy Committee has been constituted as per RBI Master Direction DNBS.PPD.No.04/66.15.001/2016-17 dt.08.06.2017. This Committee has to review and amend the IT strategies in line with the Corporate Strategies.

The Committee consists of the following Members:

- | | | |
|----|--|------------|
| 1. | Chief Executive Officer,
Tamilnadu Infrastructure Development Board | - Chairman |
| 2. | Independent Director, TDFC Ltd., | - Member |
| 3. | Chief Information Officer (Managing Director), TDFC Ltd., | - Member |
| 4. | Chief Technology Officer, TDFC Ltd., | - Member |

During the year the Information Technology Strategy Committee Meeting was held on 26.07.2024 & 11.03.2025.

G. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Corporate Social Responsibility Committee (CSR) was formed as per section 135 of the Companies Act, 2013. The CSR policies formulated by the CSR Committee was approved by the Board in its meeting held on 19.12.2017 consisting of following Members.

- | | | |
|----|--|------------|
| 1) | Finance Director, Finance Department | - Chairman |
| 2) | Managing Director, TDFC Ltd., | - Member |
| 3) | Woman cum Independent Director, TDFC Ltd., | - Member |

During the period under Report, a sum of Rs.48.00 lakhs has been contributed to TNSTC Coimbatore Ltd. for providing facilities for passengers at Gudalur Bus stand and Terminus, a sum of Rs.30.00 Lakhs to MTC Ltd. for construction of Public toilet at Kannagi Nagar Bus Terminus. Rs.10.00 lakhs paid to TNSTC Villupuram Ltd. for construction of Disability friendly toilets and Rs.13.06 lakhs paid to IRT for Road Safety activities at Gummidipoondi Driver Training Institute and IRT Taramani recorded as CSR expenditure."

The report of the CSR Committee (Annexure C) is enclosed.

H. WHISTLE BLOWER MECHANISM:

The Company promotes ethical behavior in business activities and has put in place a mechanism for illegal or unethical behavior. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report the violations and regulations. The mechanism is overseen by the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied to access the Chairman of the Audit Committee.

12. RISK MANAGEMENT POLICY:

The Company has an internal mechanism for risk management and has developed a Risk Management Policy.

At present the company has not identified any element of risk which may threaten the existence of the company.

13. AUDITORS:**a) Statutory Auditors:**

In terms of Section 139 (5) of the Companies Act, 2013, the Comptroller and Auditor General of India has appointed M/s. Vivekanandan Associates, Chartered Accountants and A. Ambalatharsan & Associates Chennai, as Joint Statutory Auditors of the Company for the year 2024-2025.

b) Internal Auditors:

In terms of Section 138 of the Companies Act, 2013, the Board has appointed M/s. Ganesh Prasad, Chartered Accountants, Chennai as Internal Auditor of the Company for the financial year 2024-2025.

c) Secretarial Auditors:

In terms of Section 204 (1) of the Companies Act, 2013, the Board has appointed M/s. A.K. Jain & Associates, Chennai as the Secretarial Auditor of the company for the Financial year 2024-2025 and the report of the Secretarial Auditor (Annexure B) is enclosed.

14. ASSET QUALITY:

Utmost care in fresh lending to STUs was duly exercised in order to lay emphasis on Asset Quality. HP Loan outstanding as on 31.03.2025 was Rs.668.33 crores as against Rs.616.74 crores as on 31.03.2024. The Term Loan outstanding had increased from Rs.17589.06 crores as on 31.03.2024 to Rs.19377.95 crores as on 31.03.2025, which is fully secured by charge on Land & Buildings and Government Guarantee, except for Rs.5277.81 crores.

**15. UNCLAIMED DEPOSIT:**

Continuous efforts are being taken by your Company to identify the depositors who have not claimed the money after maturity for repayment / renewal of deposits. As on 31.03.2025 the unclaimed deposit for more than 6 months was Rs.29.29 crores as against Rs.29.30 crores as on 31.03.2024. The number of accounts as on 31.03.2025 is 44.

The deposits remaining unclaimed for more than 7 years warranting transfer of amount to Investor Education and Protection Fund (IEPF) as on 31.03.2025 is Rs.85.31 lakhs (Previous year Rs.84.86 lakhs) with the number of accounts being 93 out of which the company has proposed to transfer Rs.29.87 lakhs to IEPF for the year 2024-25 and Rs.11.08 lakhs for the year 2023-24, and Rs.28.58 lakhs pending under legal proceedings and Rs.15.78 lakhs under correspondence for refund.

16. PERSONNEL

Your Directors wish to place on record their appreciation to all employees for their dedication and commitment in mobilizing additional deposits and rendering services to the depositors.

The particulars of contracts or arrangements with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 read with Rule 8(2) of the companies (Accounts) Rules, 2014 are NIL.

17. AUDIT BY COMPTROLLER AND AUDITOR GENERAL:

Comptroller and Auditor General of India have completed the Audit under Section 143(6)(b) of the Companies Act, 2013. The comments of the Comptroller and Auditor General of India is enclosed.

18. STATUTORY INFORMATION:

The information as required to be furnished under section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 with regard to conservation of Energy and Technology absorption is not applicable to the Company. The Company had no foreign exchange earnings and outgo during the period under review.

**19. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE
(Prevention, Prohibition and Redressal) Act, 2013 (as per section 22 & 28 of the Act):**

The company has in place an Anti Sexual Harassment policy in line with the requirements of the Sexual Harassment of Woman at work place (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set-up to redress complaint received regarding sexual harassment. During the year no complaint was received.

20. ACKNOWLEDGEMENT:

Your Directors are grateful to the Depositors for their continued support and confidence reposed on your Company and assure them high quality of service in the coming years. Your Directors wish to place on record their appreciation to the Government of Tamilnadu and the State Transport Undertakings for their continued support in all our efforts to improve the performance. Your Directors are also thankful to the Reserve Bank of India and the Bankers for their valuable support to your Company.

Your Directors thank the Internal / Statutory Auditors of the Company and the Accountant General (Audit II), Tamilnadu & RBI for their co-operation and guidance.

For and on behalf of the Board

Place : Chennai

Date : 09.10.2025

(T.Udhayachandran, I.A.S.)

Chairman

(DIN : 02357295)

(Pooja Kulkarni, I.A.S.)

Managing Director

(DIN : 02783673)

ADDENDUM TO THE DIRECTORS' REPORT

Pursuant to Section 134 (f) of the Companies Act, 2013 the Board of Directors having considered the Report of the Statutory Auditors and Secretarial Auditor on the Accounts for the year ended 31.03.2025 and offer the following explanation on the qualifications contained in the report and record the following:

1. THE STATUTORY AUDITOR'S REPORT

Sl. No.	Statutory Auditor Remarks	Our Reply
I	<p><i>Basis of Qualified Opinion</i></p> <p>(1.1) State Transport Undertaking (STUs) which are borrowers of the Company have a weak financial profile and are dependent primarily on regular funding from the Government of Tamil Nadu. We refer to our reporting requirements under Section 143(1) of Companies Act, 2013:</p> <ul style="list-style-type: none"> a) The company has granted secured and unsecured loans amounting to Rs.14,566.06 crores to the STUs during the year. b) Despite non-payment or delayed repayment of the old loans by same STUs, the Company has extended fresh loans during the course of the year in few cases. c) The Subsidies due to the STUs from the Government are being received by the Company and adjusted towards the repayment of the loans availed by the STUs. <p>(1.2) During the year Rs.14566.06crores were granted as new loans out of which Rs.1054.47Crores were utilized by the STUs to repay the loans to the corporation. We are also unable to verify the end use of the loans sanctioned.</p> <p>(1.3) As per the State Government's policies on concessional travel for women, transgender persons, and school students in buses, as well as reimbursement for High-Speed Diesel (HSD) costs, the Government of Tamil Nadu has been routing such reimbursements directly to the Company in the interest of recovering the dues payable by the State Transport Undertakings (STUs).</p> <p>As long as the Government of Tamil Nadu continues to provide adequate compensation and concession to STUs, the Company's ability to function as a going concern will not be impacted.</p> <p>The events or conditions highlighted in (1.1), (1.2) and (1.3) above indicate that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern.</p>	<p>(1.1) There are no NPA from any borrower in 2024-25. All Lending's were done in the ordinary course of business.</p> <p>Factual</p> <p>(1.2) All borrowing company furnish utilization certificates along with auditors' verification of utilization.</p> <p>(1.3) In one para auditor states "Company's ability to function as a going concern will not be impacted as long as funds are released by the Govt.". A detailed disclosure has been given in the note 2.19 stating the government concession and loan demand by TDFC, STU's daily remittance of collection to an O.D account, which is under TDFC's control which is adequate enough to cover loan demands.</p>

Sl. No.	Statutory Auditor Remarks	Our Reply
II	<p>We refer to RBI master circular (2017-18/181) dated 31st May 2018.</p> <p>a) As per the statutory provisioning clause, maintenance of the percentage of liquid assets by the Company should be 15% of outstanding 'public deposits' as on 31st March 2025.</p> <p>The Company has to maintain a Statutory Liquid Ratio (SLR) of 15% of public deposits in the form of liquid assets. The Company has invested in government bonds as per the Reserve Bank of India regulation. The floating charge of these liquid assets has to be created in favour of the Trustees for the benefit of Deposit holders. The Company has appointed and created M/s. SBI CAP Trustee Company Limited as a trustee of Deposit holders in April 2024.</p> <p>As per Section 281 of the Income Tax Act, 1961, any assessee makes a charge on, or parts with the possession (by way of sale, mortgage, gift, exchange or any other mode of transfer whatsoever) of, any of his assets in favour of any other person, such charge or transfer shall be void as against any claim in respect of any tax or any additional sum payable by the assessee as a result of the completion of the said proceeding or otherwise. Hence, obtaining a No- Objection Certificate (NOC) from the Income tax department, as per Section 281 of the Income Tax Act, before creating a charge of liquid assets is mandatory. We noticed that the Company had filed an application with the Income-tax authorities under section 281 of the said Act. However, the Income-tax authorities have not issued a "No Objection Certificate" in response. In the event of eventuality, the due amounts to the Income-tax authority will be the first preference before payments are made to deposit holders.</p> <p>The Company is required to comply with the TDS deduction under Section 194A of the Income Tax Act, 1961 on interest payments in respect of deposits held by public. However, based on our test check, we observed that the company has not complied with TDS deduction in respect of a few depositors. Hence, we are unable to quantify the disallowance of the interest expenditure under Section 40(a)(ia) of the Income Tax Act, 1961.</p>	<p>SLR and public deposits norms are fully complied as per RBI guidelines.</p> <p>Norms complied.</p> <p>Company has applied for exemption.</p> <p>Factual Statement.</p> <p>During the year 2024-25, TDS deducted wherever applicable on all category of deposits except temple (HR&CE) and individual who are giving 15G & 15H and section 197.</p> <p>The details are fully available in the TDS return filed in the IT portal.</p>

Sl. No.	Statutory Auditor Remarks	Our Reply
	<p>b) A Government NBFC-D can accept deposits only up to 1.50 times of Net Owned Funds as on 31st March 2025. The public deposits of the Company as on 31st March 2025, as computed by the Company, are Rs.3,557.52 crores, which is within the permissible limit. However, as the special audit report for the classification of public deposits still needs to be fully implemented, we cannot comment on whether the acceptance of public deposits by the company is within the prescribed limits.</p>	<p>Special Audit conducted, approved by Board and sent to RBI in 2023 itself.</p>
III	<p>We refer to the RBI master direction (2016-17/45) dated Sep 01, 2016. We have observed that the Company needs to comply with some of the guidelines in the circular mentioned above. We have only highlighted some important guidelines that must be complied with.</p> <p>a) Chapter VI Fair Practices Code b) Chapter XI Corporate Governance Policy c) Annexure XXIII Asset Liability Management System (ALM)</p>	<p>The Fair Practice Code of TDFC has been implemented based on the master circular issued by Reserve Bank of India with effect from 1st December 2019 and the Statutory Committee namely Risk Management Committee and Asset Liability Management Committee as prescribed in the Corporate Governance were also formed and followed as per guidelines.</p>
IV	<p>We refer to the RBI master direction (2016-17/38) dated 25th August 2016. The Company has not maintained a register of deposit with the particulars as specified under the said directions. This has been highlighted in the February 25, 2022, RBI inspection report.</p> <p>As required by the RBI inspection report, a special audit has been conducted and the special audit report was placed before the Board on 29.07.2021. The Board has passed the resolution to give effect to the revised classification of deposits with effect from 01.04.2021. However, the recommendations of the Special Audit Report still need to be implemented fully. So, we cannot comment upon the accuracy of the Classification of Public Deposits accepted as of 31-03-2025. The deposits received from Educational Trusts, Public Charitable Trusts and Temples do not fall within exempted deposits meaning.</p>	<p>The company has created and maintaining a register of deposit with the particulars specified under the RBI directions. Everything is available in the system.</p> <p>Special Audit conducted, approved by Board and sent to RBI in 2023 itself.</p>
V	<p>There was a difference of Rs.9.99 lakhs between the Deposit Register and the value of Deposits reported in the financial statements during the current financial year 2024-25.</p>	<p>A very meager amount. The difference has since been identified.</p>
VI	<p>The Company has availed the Working Capital Loans from banks, both Secured and Unsecured, towards onward lending to the STUs. According to the various GOs passed from time to time, the Company shall lend it to the STUs at the same terms it was borrowed, including the Interest paid to the Banks and the Guarantee Commission paid to the Government of Tamilnadu. During the year under review, except the Interest, other charges were not charged and recovered from the STUs amounting to Rs.2,877.181 lakhs.</p>	<p>Factual.</p>

Sl. No.	Statutory Auditor Remarks	Our Reply
VII	Similarly, the measurement and recognition of Deposits Accepted and Borrowings as financial liabilities and the finance cost not in line with the significant accounting policies in Note 2.6 of the Notes to Accounts.	Consistency in the Accounting treatment has been maintained in the books of accounts over a period of time.
VIII	As Section 128 of the Companies Act, 2013, every company is required to keep and maintain its books of accounts on accrual basis in order to give a true and fair view of the state of the affairs of the company. During our audit, we found that the company is maintaining its books on accrual basis.	Factual
IX	The Company has Rs.10.67 crores as total liability unclaimed matured deposits under Girl Child Protection Scheme (GCPS) framed by Government of Tamilnadu. Out of this, Rs.85.31 lakhs pertains to unclaimed deposits for more than 7 years warranting transfer to Investor Education and Protection Fund (IEPF).	GCPS is a Government sponsored Scheme. If the beneficiary is not traceable the fund has to be returned to Government and not to IEPF as per the applicable scheme.

Place : Chennai

Date : 09.10.2025

For and on behalf of the Board

(T.Udhayachandran, I.A.S.)

Chairman

(DIN : 02357295)

(Pooja Kulkarni, I.A.S.)

Managing Director

(DIN : 02783673)

MANAGEMENT DISCUSSION AND ANALYSIS

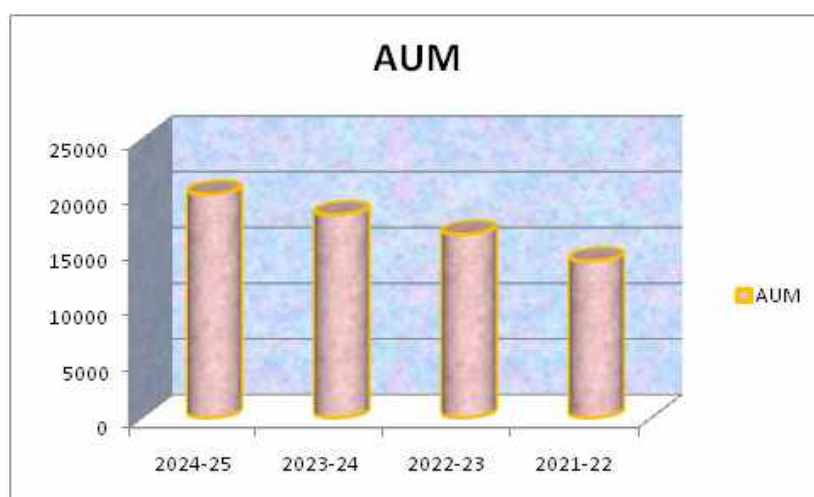
COMPANY OVERVIEW :

Tamilnadu Transport Development Finance Corporation Ltd. is Non-Banking Finance Company registered with Reserve Bank of India. It started its function on 25.03.1975 with the purpose of increasing funds from the general public for the State Transport Undertakings capital and working capital needs through deposit mobilization from public and others, rather than relying on Government budgetary support. It has one Deposit Mobilization Centre at Coimbatore.

Assets Under Management are as follows:

(Rs. in crores)

Year	2021 - 22	2022 - 23	2023-24	2024-25
AUM	14045.64	16449.49	18205.80	20046.28



Product-wise Performance

(Rs. in crores)

Loan Type	Disbursement in 2024 - 25	AUM in 2024 - 25
Asset Financing	-	668.33
Short Term Loan	5728.66	5936.41
Long Term Loan	8602.89	13441.54
	14331.55	20046.28

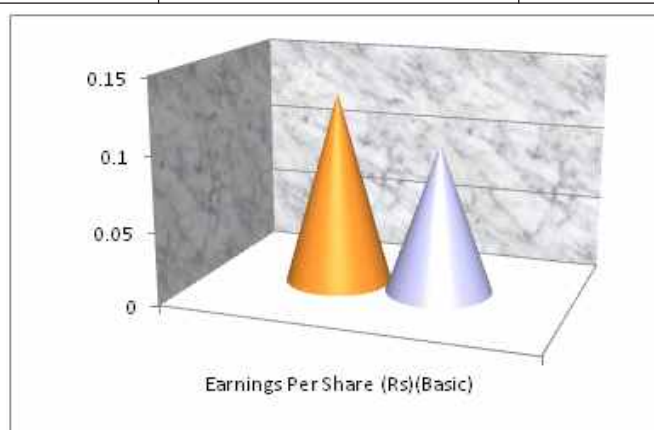


KEY HIGHLIGHTS 2024 - 25

- Steady growth in disbursements and Maintenance of AUM
- Improved profitability
- Comfortable ALM position across timelines
- Supported by Government Subsidies
- Steady Credit Ratings

Key Financial Ratios

Key Ratios-IND AS	31.03.2024	31.03.2025
Earnings Per Share (Rs)(Basic)	0.10	0.13
Book Value per Share	Rs.10.81	Rs.10.85
Capital Adequacy Ratio (CAR)	18.86%	18.89%

**SWOT ANALYSIS****Strength**

1. Backed by the Tamil Nadu government, ensuring investor confidence.
2. Offers higher fixed deposit interest rates than many banks.
3. Regulating by RBI, adding credibility and oversight.
4. Strong brand pedigree and successful track record
5. Convenient online deposit and account management system.

Weakness

1. Limited presence and awareness outside Tamil Nadu
2. Narrow focus on fixed deposit products only
3. Minimal marketing and brand visibility

Opportunities

1. Potential to introduce diversified financial products.
2. Growing demand for secure, digital investment platforms.
3. Scope for partnerships with other government schemes and departments.
4. Opportunity to attract more institutional and senior citizen investors.

Threats

1. NBFC specific Regulatory Scrutiny.
2. Steep competition from other NBFCs, Banks.
3. Inflation risk
4. Cyber security and Digital Fraud Risks

ECONOMIC SURVEY

India's economic performance in FY 2024–25 remained strong and stable, with GDP growth estimated at 8.2% and real GDP surpassing pre-pandemic (FY20) levels by 20%. The outlook for FY 2025–26 is projected to remain stable, with anticipated GDP growth around 6.5%. Key growth drivers included robust consumption demand, steady investment momentum, and government-led capital expenditure.

Despite this resilience, the Economic Survey cautioned against emerging risks such as geopolitical conflicts, volatile commodity prices, and potential disruptions to capital flows, which could impact the RBI's stance on interest rates and liquidity. Globally, merchandise trade is expected to rebound in FY25 after a contraction in 2024, offering export opportunities for India in sectors like renewable energy, digital services, and high-tech manufacturing. Monetary policy remained stable, with the RBI keeping interest rates unchanged amid core inflation around 3%. The banking sector showed significant improvement, with the Gross NPA ratio declining to 2.8% in March 2024—a 12-year low—supported by vigilant oversight and prudent banking practices.

Indian equities experienced strong performance in FY24, driven by positive domestic macroeconomic indicators and a differentiated position within emerging markets. Temporary spikes in energy prices due to geopolitical tensions had minimal long-term impact.

The financial services sector, growing at 8.5% annually, continued its expansion with enhanced digital penetration, increased rural reach, and regulatory support. Key reforms included:

- 100% FDI for insurance intermediaries
- FDI limit raised to 74% in the insurance sector

OUTLOOK

Indian equities are expected to show steady performance in FY25, supported by continued domestic growth and strong policy measures. Inflation is likely to moderate, allowing the RBI to maintain a stable monetary stance. Global markets remain cautious, closely watching the U.S. Federal Reserve's rate decisions and economic indicators. Geopolitical risks, especially around energy prices, continue to pose intermittent challenges but are unlikely to derail growth. The rupee may face volatility amid global uncertainties, while sectors like infrastructure and financials are poised for growth.

INDUSTRY STRUCTURE AND DEVELOPMENTS IN INDIAN FINANCIAL SERVICES

SECTOR (2024-25)

The Indian Financial Services Sector continues to grow steadily, with a projected annual growth rate of around 8–9% in 2024-25. This sector comprises commercial banks, insurance companies, non-banking financial companies (NBFCs), co-operatives, pension funds, mutual funds, and various smaller financial entities. Recent years have witnessed rapid transformation driven by technological innovation, regulatory reforms, and increasing customer adoption.

The Government of India, along with the Reserve Bank of India (RBI), has continued to introduce reforms aimed at strengthening regulation, enhancing financial inclusion, and fostering innovation. Notable initiatives include the expansion of digital lending frameworks, reinforcement of data protection norms, and focused support for MSMEs through updated credit schemes and refinancing options. The Micro Units Development and Refinance Agency (MUDRA) continue to play a pivotal role in enabling affordable credit access to micro and small enterprises.

Key trends observed during 2024-25 include:

Policy Support: Building on earlier reforms, the Government has further liberalized foreign investment norms, encouraging increased FDI inflows in insurance and NBFC sectors. The International Financial Services Centers Authority (Banking) Regulations have been expanded to include new digital banking models, facilitating enhanced operations within IFSCs and boosting cross-border financial activities.

Technology Adoption & Digital Penetration: Accelerated internet access and smartphone usage, combined with increased consumer awareness, have driven higher penetration of credit, insurance, and investment products in rural and semi-urban markets. Fintech innovations, including AI-driven credit assessment and blockchain-based insurance underwriting, are reshaping the sector's landscape.

Financial Inclusion & Sustainability: Emphasis on green financing and ESG (Environmental, Social, and Governance) compliant investments is growing, supported by regulatory nudges and investor preferences. Government and private-sector partnerships continue to promote inclusive finance, with enhanced schemes targeting underserved populations and sectors.

Overall, TDFC is well-positioned within the dynamic Indian Financial Services Sector, driven by policy reforms, technology adoption, and a strong commitment to inclusive growth.

INDIAN NON-BANKING FINANCIAL COMPANIES (NBFCs)

The NBFC sector in India continues to be a key pillar of financial inclusion and credit intermediation, particularly for retail, MSMEs, and underserved sectors. As of FY 2024–25, NBFCs contributed over 26% of the total credit in the Indian financial system, up from 16% in FY 2013. This reflects the sector's agility in addressing niche financing needs, offering customized and accessible credit products. Despite tightening regulations and changing macroeconomic dynamics, the sector sustained its growth trajectory with the continued expansion of its customer base, digital outreach, and risk-calibrated product offerings.

NBFC's Growth Outlook

During FY 2024–25, credit growth among NBFCs moderated to 13–15%, following a high-growth phase in the preceding two years. This deceleration was influenced by increased regulatory oversight, interest rate normalization, and selective lending in the unsecured segment. However, retail lending, particularly in the personal loan, consumer durable, and vehicle finance categories, remained the primary growth driver. The top 20 NBFCs continued to dominate the market, leveraging their established franchise, operational efficiency, and digital capabilities. India's estimated GDP growth of 7.2%, as projected by the RBI, supported robust credit demand and stable earnings for well-capitalized NBFCs. Regulatory reforms such as scale-based supervision and revisions in provisioning norms are expected to enhance sectoral resilience.

Asset Quality

The sector witnessed further improvement in asset quality during FY 2024–25. The Gross NPA ratio declined to 2.53% by December 2024 and is estimated to have held steady through March 2025, supported by better underwriting, enhanced recoveries, and portfolio diversification. In the retail segment, auto loans and personal loans witnessed marginal stress, while secured loan categories remained stable. Notably, private NBFCs' industrial advances, which previously had higher delinquency, saw a moderation in the GNPA ratio, indicating prudent credit assessment. The Net NPA ratio also improved due to stronger Provisioning Coverage Ratios (PCR) across peer groups. However, certain unsecured loan portfolios, particularly in mid-tier NBFCs, require close monitoring going forward.

Capital Adequacy, Profitability & Efficiency

The capital position of NBFCs remained robust. As of March 2025, the sector's CRAR stood at approximately 26.2%, well above the regulatory requirement, reflecting strong solvency and prudent capital management. Profitability indicators remained favorable, though some moderation was seen due to higher borrowing costs and tightening of spreads. The Return on Assets (RoA) averaged 2.86%, slightly lower than the previous year but still healthy. Net Interest Margins (NIM) remained resilient, driven by a favorable loan mix and cost optimization initiatives. The cost-to-income ratio improved further as players enhanced operational efficiencies through automation, lean branch networks, and digital lending platforms.

NBFC Borrowing Trend

As of March 2025, NBFCs continued to be net borrowers in the financial ecosystem, with total borrowings exceeding ₹17 lakh crore. While bank borrowings remained the dominant funding source, their share has plateaued, prompting a gradual shift towards market-based funding such as bonds, securitization, and external commercial borrowings. The share of long-term funds, including from Alternative Investment Funds (AIFs) and insurance companies, increased to enhance ALM stability. About two-thirds of NBFCs' liabilities were in the long-term bucket (over 12 months), aligning with asset maturity. However, short-term funding pressures have emerged for smaller NBFCs due to liquidity tightening and selective risk appetite from lenders.

Funding Risks and Diversification

The RBI has raised concerns over NBFCs' reliance on concentrated funding sources, particularly bank borrowings, which could pose systemic contagion risks during stress periods. Many NBFCs continue to maintain multiple banking relationships, increasing interconnectedness within the financial system. Although public deposits among NBFCs-D (deposit-taking) have grown due to attractive interest rates and higher credit ratings, the number of NBFCs authorized to accept deposits has been steadily declining. This structural shift highlights the need for diversification of liabilities, including exploring retail NCDs, digital lending partnerships, and co-lending models to ensure funding stability and resilience under volatile market conditions.

RISK MANAGEMENT

At TDFC, risk management is central to our business strategy, underpinning our commitment to safeguarding the interests of our customers, employees, shareholders, and the organization as a whole. Our objective is to enable sustainable growth through prudent and informed decision-making, supported by a consistent risk-focused culture across all levels of the Company. We have adopted a comprehensive risk management framework aligned with industry best practices and internal control standards. This framework prioritizes strong governance and the maintenance of a robust control environment, which serves as the foundation for effective risk management practices. Our policies are governed by clearly defined standards, guidelines, processes, and procedures, which are regularly reviewed and approved by the Board Committees and Senior Management. Risk identification, assessment, and mitigation efforts are undertaken independently across all business verticals to ensure objectivity and operational resilience. The Company's Risk Management Committee has identified and categorized key risk areas, including Credit Risk, Market Risk, Liquidity Risk, Legal and Regulatory Risk, Operational Risk, Cyber security and IT Risk, Interest Rate Risk, Strategic and Economic Risks. Each of these risk categories is assessed using a dynamic, evolving approach that reflects current market conditions and emerging challenges.

OUR RISK MANAGEMENT FRAMEWORK**a. Credit Risk :**

Credit risk refers to the potential financial loss arising if a customer fails to meet their contractual obligations. TDFC's primary exposure is limited to:

- A single government undertaking
- Retail loans backed by fixed deposits

To mitigate this risk, loans against deposits are sanctioned only after maintaining adequate margins, significantly reducing the likelihood of default. Furthermore, the credit risk posed by the government undertaking is minimal. The Company adheres to the RBI-prescribed prudential norms for NBFCs and uses the Expected Credit Loss (ECL) model for impairment recognition. As of now, there are no indications of significant credit impairment.

b. Liquidity Risk

Liquidity risk is the risk of being unable to meet payment obligations as they fall due or having to meet them at excessive cost. The objective of our liquidity management is to ensure that adequate liquidity is maintained at all times within the Company's defined risk appetite.

Key controls include:

- Continuous monitoring by the Asset Liability Committee (ALCO)
- Duration and cash flow matching of assets and liabilities
- Maintenance of regulatory liquidity ratios
- Investment in high-quality liquid assets such as government securities

These measures ensure the Company's ability to meet all financial obligations efficiently and without distress.

c. Market Risk

Market risk refers to potential losses arising from changes in market variables such as interest rates, liquidity, and equity prices. TDFC's market risk exposure is currently limited and categorized as follows:

i) Interest Rate Risk-

The company's exposure to changes in interest rates relates to its investment in debt securities. All the debt securities of the company are in local currency and on fixed rate basis and hence not subject to interest rate risk.

ii) Currency Risk-

The company does not have any borrowings or investments in foreign currency and hence not subject to currency risk.

iii) Equity Risk-

The company has investments in Bonds only, which are measured at FVTPL. The valuation is dependent on market conditions.

INTERNAL AUDIT

The Audit Committee and Risk Management Committee encompassing members from the Board of Directors appraises performance of the Internal Audit function of the Company which helps to effectively control and adhere to the regulatory compliance guidelines laid out depicting highest standards of governance followed in the Company.

The Internal Control System of the Company is proportionate to its size, scale, nature, and complexity of operations. The Company conducts its internal audit within the parameters of regulatory framework.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Company has in place an effective internal control system to synchronise its business processes, operations, financial reporting, fraud control, and compliance with extant regulatory guidelines and compliance parameters. Strict internal control and systems are devised as a depiction of the principles of the highest standards of governance. The Company ensures that a standard and effective internal control framework operates throughout the organisation, providing assurance about safekeeping of the assets and execution of transactions as per the authorisation in compliance with the internal control policies of the Company. This confirms orderly and effective conduct of its business, including adherence to the Company's policies, accuracy and completeness of the accounting records and timely preparation of reliable financial information. The internal financial controls with reference to the financial statements were adequate and operating effectively.

CAUTIONARY STATEMENT

Statements made in this Management Discussion and Analysis Report may contain certain forward-looking statements based on various assumptions on the Company's present and future business strategies and the environment in which it operates. Actual results may differ substantially or materially from those expressed or implied due to risk and uncertainties. These risks and uncertainties include national and global effect of economic conditions, political conditions, volatility in interest rates, changes in regulations and policies impacting Company's businesses and other related factors. The information contained herein is as referred. The Company does not undertake any obligation to update these statements. The Company has obtained the data and information referred here from sources believed to be reliable or from its internal estimates, the accuracy or completeness of which cannot be guaranteed.

For and on behalf of the Board

(T.Udhayachandran, I.A.S.)

Chairman

(DIN : 02357295)

(Pooja Kulkarni, I.A.S.)

Managing Director

(DIN : 02783673)

Place : Chennai

Date : 09.10.2025

TAMILNADU TRANSPORT DEVELOPMENT FINANCE CORPORATION LTD, CHENNAI - 02

A TEN YEAR PROFILE

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2023-24
(Rupees in Lakhs)										
I. WHAT WE OWE										
Share capital	6174.19	6174.19	6174.19	6174.19	107634.19	162634.19	205081.19	300000.00	311496.39	348702.73
Reserves and surplus	11620.06	11969.29	12630.09	13371.23	14544.84	15620.12	18834.95	30502.36	25317.68	29495.01
Secured Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Secured Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.89
Unsecured Loans	216800.90	324214.92	513435.98	576492.70	615404.34	1170189.47	1260224.11	1442317.98	1628605.72	1703411.04
Current Liabilities	35499.75	36262.40	56643.41	44202.30	195391.27	138415.54	16146.14	137802.29	123087.00	193891.77
TOTAL	270094.90	378620.80	588883.67	640240.42	932974.64	1486859.32	1500286.39	1910622.63	2088506.79	2275503.44
II. WHAT WE OWN										
Net Fixed Assets	23.53	14.79	7.86	34.18	25.83	18.28	16.69	19.23	16.41	14.18
Investments	10318.50	10218.50	7290.00	6030.00	13609.10	18881.04	42431.34	61514.58	67984.37	66739.36
Deferred Tax Assets	43.94	41.26	39.93	35.19	36.35	6.51	15.47	6.31	2.52	0.00
Current Assets	47168.17	33744.91	74881.09	107021.93	238281.92	260134.91	45917.51	232005.31	193658.37	205229.80
Loans and Advances	212540.76	334601.34	506664.79	527119.12	681021.44	1207818.58	1411905.38	1617077.2	1826845.12	2003520.10
TOTAL	270094.90	378620.80	588883.67	640240.42	932974.64	1486859.32	1500286.39	1910622.63	2088506.79	2275503.44
III. INCOME										
Fin. Charges&Int. Earned Loans	19100.75	27200.29	35345.37	41979.55	52819.70	80236.18	90254.38	117334.07	123028.08	138349.88
Int. Earned others	2100.07	1800.19	3046.15	5123.93	616.88	8.38	0.63	0.80	0.74	0.00
Miscellaneous Income	0.47	0.19	0.02	0.08	0.00	0.00	0.00	0.00	0.00	8.44
Prior Period Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	21201.29	29000.67	38391.54	47103.56	53436.58	80244.56	90255.01	117334.87	123028.82	138358.32
IV. EXPENDITURE										
Interest	20155.90	27816.00	36979.75	45489.84	47844.80	73582.93	83623.22	110630.31	117428.10	130896.97
Administrative expenses	82.63	88.80	124.84	149.21	199.48	0.86	6.46	8.25	12.41	13.63
Employees Emoluments & Welfare	220.75	231.55	232.65	239.65	189.31	166.27	187.98	287.64	276.11	263.85
Depreciation	7.40	10.90	6.93	6.29	11.18	7.55	6.44	8.08	10.05	7.45
Service Tax/other expen	100.00	0.00	0.00	0.00	3320.52	1749.58	922.43	1195.31	970.60	1122.50
Discount on lease rent/CMRFC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prior period expenditure	0.00	0.00	15.16	16.80	0.00	0.00	0.00	0.00	0.00	0.00
Profit Before Tax	634.61	853.42	1032.21	1201.77	1871.29	4737.37	5508.48	5205.28	4331.55	6053.92
TOTAL	21201.29	29000.67	38391.54	47103.56	53436.58	80244.56	90255.01	117334.87	123028.82	138358.32
Earnings per share (Rs)	0.69	0.93	1.09	1.27	0.11	0.20	0.17	0.12	0.10	0.13
Book value per share (Rs)	28.82	29.39	30.46	31.66	11.35	10.96	10.92	11.02	10.81	10.85

TAMILNADU TRANSPORT DEVELOPMENT FINANCE CORPORATION LTD, CHENNAI - 02

TDFC'S LOAN ASSISTANCE TO STATE TRANSPORT UNDERTAKINGS / PUBLIC SECTOR UNDERTAKINGS

(Rupees in lakhs)

SL No.	STUs/PSUs	1975-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	Cumulative Total Upto 2024-2025
1	MTC (CHENNAI) LTD	146357.45	33328.00	46587.00	43908.00	46262.00	115854.00	96174.00	138788.00	231293.00	249827.00	236243.00	1419848.45
2	SETC (TAMIL NADU) LTD	162112.45	24774.00	34261.00	22566.00	25845.00	69323.30	65579.00	91343.00	86473.00	94935.00	109559.00	837752.75
3	TNSTC (VILLUPURAM) LTD	158825.45	23253.00	29928.00	41374.00	35410.00	57265.14	96327.00	121475.00	178779.00	192771.00	199815.00	1182917.59
4	TNSTC (SALEM) LTD	149212.45	31770.00	43163.00	39044.00	32860.00	61130.00	81445.00	103660.00	110208.00	130013.00	128042.00	948629.45
5	TNSTC (COIMBATORE) LTD	162355.45	46508.00	52905.00	62886.00	67715.00	97758.46	129643.00	192930.00	189865.00	220733.00	229878.00	1504401.91
6	TNSTC (KUMBAKONAM) LTD	166894.45	44868.00	50385.00	57287.00	42079.00	74242.12	106624.00	145399.00	175491.00	207867.00	212017.00	1338917.57
7	TNSTC (MADURAI) LTD	172240.45	33356.00	48534.00	50488.00	38347.00	61766.93	92116.00	126274.00	143292.00	171849.00	166518.00	1165891.38
8	TNSTC (TIRUNELVELI) LTD	151417.45	39776.00	51669.00	58204.00	56057.00	81670.88	105303.00	158764.00	141932.00	158417.00	174532.00	1218029.33
9	T.N GOVT. INSTITUTIONS	111130.45	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	111130.45
10	OTHER STATE GOVT. INSTITUTIONS	111130.45	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	111130.45
TOTAL		1491676.50	277633.00	357432.00	375757.00	344575.00	619010.83	773211.00	1078633.00	1257333.00	1426412.00	1456604.00	9838649.33
NO. OF CHASSIS		47448.00	232	171	153	951	3327	427	0	0	0	2404	8819.00

**THE ANNUAL REPORT OF CSR ACTIVITIES FOR THE
FINANCIAL YEAR 2024-25**

1. Brief Outline on CSR Policy of the Company TDFC is committed to sustainable development and social responsibility by actively contributing to community welfare, environmental protection, education, and health. The CSR policy aligns with Schedule VII of the Companies Act, 2013 and emphasizes impactful and transparent initiatives.

2. Composition of CSR Committee

Sl. No	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during 2024-25	Number of Meetings Attended during 2024-25
1.	Thiru.PratikTayal,I.A.S.	Deputy Secretary (Budget) to Govt. / Chairman of Committee	2	2
2.	Tmt.G.Geetha	Woman cum Independent Director / Member of Committee	2	2
3.	Tmt.PoojaKulkarni,I.A.S.	Managing Director / Member of Committee	2	2

3. Provide the web-link where the Composition of CSR Committee, CSR policy and CSR projects approved by the Board are disclosed on Company Website:

4. Provide the details of Impact Assessment of CSR Projects carried out in pursuance of sub rule 3 of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014 if applicable: Not Applicable (NA).

5. Details of amount available for Set-off in pursuance of sub rule (3) of rule 7 of Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the Financial Year, if applicable – Not applicable

Sl. No	Financial Year	Amount Available for Set-off from Preceding Financial Years (Rs.)	Amount Required to be Set-off for the Financial Year (Rs.)
Not Applicable			

6. Average Net Profit of the Company as per Section 135(5): **Rs.101.06 Lakhs**

7. CSR Obligation Calculation

Particulars	Amount (Rs in Lakhs)
(a) Two percent of average net profit as per Section 135(5)	101.06
(b) Surplus from previous financial years	NIL
(c) Amount required to be set off for the financial year	NIL
(d) Total CSR obligation for the financial year (7a+7b-7c)	101.06

8. CSR Amount Spent / Unspent for the Financial Year

Total amount spent for the Financial Year (in Rs)	Amount unspent (in Rs)				
	Total Amount transferred to unspent CSR account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
Nil					

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from Schedule VII	Local Area (Yes/ No)	Location (State, District)	Project Duration	Amount Allocated (Rs.)	Amount Spent in Current Year (Rs.)	Amount Transferred to Unspent CSR (Rs.)	Mode of Implementation (Direct Yes/No)	Mode of Implementation Through Implementing Agency (Name, CSR Reg.No.)
1.	Nil									
Total										

(c) Details of CSR amount spent against other than ongoing projects for the Financial Year:

Sl. No.	Name of the Project	Item from Schedule VII	Local Area (Yes/No)	Location (State, District)	Amount Spent (Rs. in Lakhs)	Mode of Implementation (Direct Yes/No)	Mode of Implementation Through Implementing Agency (Name, CSR Reg.No.)
1.	Facility at Gudalur Bus Stand and Terminus		No	Coimbatore, Tamilnadu	48.00	Yes	
2.	Public Toilet construction		Yes	Chennai, Tamilnadu	30.00	Yes	
3.	Construction of Disability friendly toilets		No	Villupuram, Tamilnadu	10.00	Yes	
4.	Road Safety activities		No	Tiruvallur, Tamilnadu	13.06	Yes	
Total					101.06		

(d) Amount spent in Administrative Overheads - NIL

(e) Amount spent on Impact Assessment (if applicable) - NIL

(f) Total amount spent for the Financial Year (8b + 8c + 8d + 8e) – **Rs. 101.06**

(g) Excess Amount for Set Off (if any)- NIL

Particulars	Amount (Rs in Lakhs)
(i) Two percent of average net profit (Section 135(5))	101.06
(ii) Total amount spent for the Financial Year	101.06
(iii) Excess amount spent [(ii) - (i)]	NIL
(iv) Surplus from previous years (if any)	NIL
(v) Amount available for set off in succeeding years	NIL

9. (a) Details of Unspent CSR Amount for Preceding Three Financial Years:

SI. No.	Preceding Financial Year	Amount Transferred to Unspent CSR Account under Section 135 (6) (Rs.)	Amount Spent in Reporting Year (Rs.)	Amount Transferred to Fund under Schedule VII as per Section 135(6) (Rs.)	Amount Remaining to be Spent in Succeeding Years (Rs.)
1.	Nil				
Total					

9(b). Details of CSR amount spent for ongoing projects from preceding years:

SI. No.	Project ID	Name of the Project	Financial Year Commenced	Project Duration	Total Amount Allocated (Rs.)	Amount Spent in Reporting Year (Rs.)	Cumulative Amount Spent (Rs.)	Status (Completed / Ongoing)
1.	Nil							
Total								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year(asset-wise details):

- Date of creation or acquisition of the capital asset(s). – NA
- Amount of CSR spent for creation or acquisition of capital asset - NA
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc - NA
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). - NA

Managing Director
TDFC Ltd.

Chairman (CSR Committee)

प्रधान महालेखाकार (लेखापरीक्षा II)
तमिलनाडू व पुदुचेरी का कार्यालय



OFFICE OF THE
PRINCIPAL ACCOUNTANT GENERAL
(AUDIT II), TAMIL NADU &
PUDUCHERRY

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF TAMILNADU TRANSPORT DEVELOPMENT
FINANCE CORPORATION LIMITED, CHENNAI FOR THE YEAR ENDED 31
MARCH 2025.**

The preparation of financial statements of Tamil Nadu Transport Development Finance Corporation Limited, Chennai for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 07.10.2025 which supersedes their earlier Audit Report dated 14.08.2025.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit of the financial statements of Tamil Nadu Transport Development Finance Corporation Limited, Chennai for the year ended 31 March 2025 under section 143 (6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

In view of the revisions made with Statutory Auditors' Report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the Statutory Auditors' Report under section 143 (6) (b) of the Act.

Place: Chennai.
Date: 16/10/2025

For and on the behalf of the
Comptroller & Auditor General of India

**R. THIRUPPATHI VENKATASAMY
PRINCIPAL ACCOUNTANT GENERAL**

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

To,

The Members,

M/s. TAMILNADU TRANSPORT DEVELOPMENT FINANCE CORPORATION LIMITED

4th Floor Wallajah Road,

Chennai – 600002.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. TAMILNADU TRANSPORT DEVELOPMENT FINANCE CORPORATION LIMITED** (hereinafter called “the Company”) bearing CIN: **U65191TN1975SGC006887**. The 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, the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of The Companies Act, 2013 (the Act) and the rules made thereunder;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have also examined compliance with the applicable clauses of Secretarial Standards with regard to meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

We further report that following are the other laws specifically applicable to the company being a Middle layer Non-Banking Financial Company:

Reserve Bank of India Act, 1934, Rules, Regulations, guidelines, circulars, directions, notifications, Master Directions as made thereunder applicable to Non-Banking Financial Company.

We further state that during the period under review there were adequate systems and processes in place to monitor and ensure compliance with specifically applicable laws *except as mentioned hereunder*:

- (i) There is a discrepancy in the Authorized and Paid up Capital as reported in the DNBS-1 return filed with the Reserve Bank of India and the Company's records.
- (ii) The Company has belatedly filed returns with the Reserve Bank of India.

- (iii) The Company has not complied with Rule 22i.e Advertisement and Statement in lieu of Advertisement of Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016.

We further report that based on the verification of the Minutes of meetings of Board of Directors the Company, there was an inspection conducted by the Reserve Bank of India, u/s 45N of the Reserve Bank of India Act, 1934, highlighting the non-compliances. We have been informed that the Company is in the process of complying with the same.

Being an Unlisted Company, during the period under review, the following Acts, Rules, Guidelines and Regulations were **Not Applicable**:

- (i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
 - (ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021;
 - f) The Securities and Exchange Board of India (Issue and Listing of NonConvertible Securities) Regulations, 2021;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
 - I Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009;

We have not examined compliance by the Company with respect to applicable financial laws, like direct and indirect tax laws, maintenance of financial records, etc., since the same have been subject to review by statutory (financial) auditors, tax auditors and other designated professionals.

We further report that:

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Woman Independent Director and Independent Directors.
- b) Adequate notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were 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.
- c) On the basis of the Minutes of the Board Meeting, it is apparent that all the decisions are carried through unanimous consent and there were no dissenting members' views.
- d) There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report as under:

- (i) The company has not filed certain resolutions under **Section 117, Section 138, Section 204& Section 179(3)** of the **Companies Act, 2013**, which requires filing of Forms with the Registrar of Companies (ROC).

Sr No	Form	Particulars	Relevant Section under Companies Act, 2013.
a.	MGT-14	Appointment of Internal Auditors for FY 2024-25	Section 117& 138
b.	MGT-14	Appointment of Secretarial Auditors for FY 2023-24	Section 117& 204
c.	MGT-14	Adoption of accounts for FY 2023-24	Section 117

- (ii) The form DIR-12 filed for the change in designation of Mrs. Pooja Kulkarni was mapped as appointment in the form.
- (iii) The Company has not filed Form DIR-12 with the Registrar of Companies for appointment of Company Secretary i.e Thiru. V.Pragnesh Kumar as per Section 203 of the Companies Act, 2013.
- (iv) The company had passed circular resolutions for excising its borrowing powers of the Board of Directors which is not in compliance with Section 179 of the Companies Act, 2019.
- (v) The Company has filed Form AOC-4 XBRL for submission of its financial statements with the Registrar of Companies, instead of filing Form AOC-4 NBFC, which is specifically prescribed for Non-Banking Financial Companies (NBFCs). Additionally, in Form AOC-4 XBRL, the type of industry has been incorrectly classified as “Commercial and Industrial” instead of “Non-Banking Financial Company (NBFC)”.
- (vi) During the year under review the Company has not filed IEPF Forms due to technical issues.

We further report that during the period under review:

- (i) The Company had filed Form MGT-14 vide SRN: AA7786343 on May 3, 2024 in connection with the proposed Amalgamation of M/s. Tamilnadu Transport Development Finance Corporation Limited with M/s. Tamilnadu Power Finance & Infrastructure Development Corporation Limited under Section 230-232 vide G.O.Ms.No.336 dated 23.11.2023 from the Government of Tamil Nadu.
- (ii) The Company had applied for an extension of time to hold its Annual General Meeting (AGM) with the Registrar of Companies, Chennai for the financial year ended March 31, 2024, and the same was granted till November 30, 2024. The Company held its AGM on November 26, 2024 in compliance with the extended period.
- (iii) The company had allotted 37,20,63,400 Equity Shares of Rs.10 each on rights basis in compliance with the provisions of the Companies Act, 2013 at the Board Meeting of the Company held on November 26, 2024.
- (iv) The Company has declared and paid final Dividend of 0.1605% on Paid up Equity Shares of the Company as approved by the Shareholders at the Annual General Meeting of the Company held on November 26, 2024.
- (v) The Company has increased its Authorised Share Capital from Rs. 3,500 Crores to Rs. 4,500 Crores pursuant to the resolution passed in the Extra-Ordinary General Meeting held on March 19, 2025.

We further report that during the audit period, there were no instances of:

- (i) Public/ Preferential Issue of Shares / Debentures/ Sweat Equity, etc.
- (ii) Redemption / Buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013 for disposal of undertaking.
- (iv) Foreign technical collaborations.

For A. K. JAIN AND ASSOCIATES
Company Secretaries

Place: Chennai
Date: 18.09.2025

BALU SRIDHAR
Partner
M.No.F5869
C. P. No. 3550
UDIN: F005869G001277964
PR No.1201/2021

Note: 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.

ANNEXURE-A

To,
The Members,
M/s. TAMILNADU TRANSPORT DEVELOPMENT FINANCE CORPORATION LIMITED
4th Floor Wallajah Road,
Chennai – 600002

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

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on the audit.
2. We have followed the audit practices and processes 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 processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company as the same were dealt with under separate audits.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For A.K.JAIN & ASSOCIATES
Company Secretaries

Place: Chennai
Date: 18.09.2025

BALU SRIDHAR
Partner
M.No. F5869
C.P. No.3550
UDIN: F005869G001277964
PR No.: 1201/2021

Reply to the Comments/Observations in the Secretarial Audit Report				
S.No.	Auditors Remarks			Reply
1	There is a discrepancy in the Authorized and Paid up Capital as reported in the DNBS-1 return filed with the Reserve Bank of India and the Company's records.			The Company has already submitted a request to the Reserve Bank of India for enabling revision of the return and will file the revised DNBS-1 return once the resubmission window is made available.
2	The Company has belatedly filed returns with the Reserve Bank of India.			The delay was due to technical issues encountered during the filing process. The matter has since been resolved, and the returns have now been duly submitted.
3	The Company has not complied with Rule 22 i.e Advertisement and Statement in lieu of Advertisement of Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016.			The Company has now complied and filed the required statement for the half year ended 30th September 2025.
4	Sr No	Form	Particulars	Relevant Section under Companies Act, 2013.
	a.	MGT-14	Appointment of Internal Auditors for FY 2024-25	Section 117& 138
	b.	MGT-14	Appointment of Secretarial Auditors for FY 2023-24	Section 117& 204
	c.	MGT-14	Adoption of accounts for FY 2023-24	Section 117

S.No.	Auditors Remarks	Reply
	The company has not filed certain resolutions under Section 117, Section 138, Section 204& Section 179(3) of the Companies Act, 2013, which requires filing of Forms with the Registrar of Companies (ROC).	Noted for future guidance.
5	The form DIR-12 filed for the change in designation of Mrs. Pooja Kulkarni was mapped as appointment in the form.	The Company has submitted a CRF request for rectification of the details in the MCA master data.
6	The Company has not filed Form DIR-12 with the Registrar of Companies for appointment of Company Secretary i.e Thiru. V.Pragnesh Kumar as per Section 203 of the Companies Act, 2013.	This non-filing was due to an oversight. He was appointed for a very short period.
7	The company had passed circular resolutions for excising its borrowing powers of the Board of Directors which is not in compliance with Section 179 of the Companies Act, 2019.	To ensure proper compliance going forward, the Company shall delegate the authority for decisions relating to borrowing powers to an Executive Finance Committee duly constituted for this purpose.
8	The Company has filed Form AOC-4 XBRL for submission of its financial statements with the Registrar of Companies, instead of filing Form AOC-4 NBFC, which is specifically prescribed for Non-Banking Financial Companies (NBFCs). Additionally, in Form AOC-4 XBRL, the type of industry has been incorrectly classified as “Commercial and Industrial” instead of “Non-Banking Financial Company (NBFC)”.	Noted for future guidance.
9	During the year under review the Company has not filed IEPF Forms due to technical issues.	The technical issue has since been resolved, and the Company has resumed filing the IEPF forms in accordance with the requirements.

Vivekanandan Associates
Chartered Accountants
4/22 First Cross Street
Ragahavan Colony
Ashoknagar Chennai 600083

A Ambalatharasan & Associates
Chartered Accountants
New No 76 II Floor
Rameshwaram Road
T. Nagar Chennai 600017

INDEPENDENT AUDITOR'S REPORT

To The Members of **TAMILNADU TRANSPORT DEVELOPMENT FINANCE CORPORATION LIMITED**

REVISION OF INDEPENDENT AUDIT REPORT

REASON FOR REVISION OF INDEPENDENT AUDIT REPORT IS AS PER PAG COMMENTS

Opinion

We have audited the accompanying financial statements of TAMILNADU TRANSPORT DEVELOPMENT FINANCE CORPORATION LIMITED (hereinafter referred to as “the Company”), which comprises the Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss for the year ended 31st March, 2025 (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion Section of our report, the aforesaid financial statements, read with notes and accounting policies therein give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit (including other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis of Qualified Opinion

- I. (1.1) State Transport Undertaking (STUs) which are borrowers of the company have a weak financial profile and are dependent primarily on regular funding from the Government of Tamil Nadu. We refer to our reporting requirements under Section 143(1) of Companies Act, 2013:
 - a) The company has granted secured and unsecured loans amounting to Rs.14,566.06 crores to the STUs during the year.
 - b) Despite non-payment or delayed repayment of the old loans by same STUs, the Company has extended fresh loans during the course of the year in few cases.
 - c) The Subsidies due to the STUs from the Government are being received by the Company and adjusted towards the repayment of the loans availed by the STUs.

(1.2) During the year Rs.14566.06 crores were granted as new loans out of which Rs.1,054.47 Crores were utilized by the STUs to repay the loans to the corporation. We are also unable to verify the end use of the loans sanctioned.

(1.3) As per the State Government's policies on concessional travel for women, transgender persons, and school students in buses, as well as reimbursement for High-Speed Diesel (HSD) costs, the Government of Tamil Nadu has been routing such reimbursements directly to the Company in the interest of recovering the dues payable by the State Transport Undertakings (STUs). As long as the Government of Tamil Nadu continues to provide adequate compensation and concession to STUs, the Company's ability to function as a going concern will not be impacted. The events or conditions highlighted in (1.1), (1.2) and (1.3) above indicate that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern.

II. We refer to RBI master circular (2017-18/181) dated 31" May 2018.

a) As per the statutory provisioning clause, maintenance of the percentage of liquid assets by the Company should be 15% of outstanding public deposit's as on 31st March 2025.

The Company has to maintain a Statutory Liquid Ratio (SLR) of 15% of public deposits in the form of liquid assets. The Company has invested in government bonds as per the Reserve Bank of India regulation. The floating charge of these liquid assets has to be created in favour of the Trustees for the benefit of Deposit holders. The Company has appointed and created M/s. SBI CAP Trustee Company Limited as a trustee of Deposit holders in April 2024.

As per Section 281 of the Income Tax Act, 1961, any assessee makes a charge on, or parts with the possession (by way of sale, mortgage, gift, exchange or any other mode of transfer whatsoever) of, any of his assets in favour of any other person, such charge or transfer shall be void as against any claim in respect of any tax or any additional sum payable by the assessee as a result of the completion of the said proceeding or otherwise. Hence, obtaining a No- Objection Certificate (NOC) from the Income tax department, as per Section 281 of the Income Tax Act, before creating a charge of liquid assets is mandatory. We noticed that the Company had filed an application with the Income-tax authorities under section 281 of the said Act. However, the Income-tax authorities have not issued a "No Objection Certificate" in response. In the event of eventuality, the due amounts to the Income-tax authority will be the first preference before payments are made to deposit holders.

The Company is required to comply with the TDS deduction under Section 194A of the Income Tax Act, 1961 on interest payments in respect of deposits held by public. However, based on our test check, we observed that the company has not complied with TDS deduction in respect of a few depositors. Hence, we are unable to quantify the disallowance of the interest expenditure under Section 40(a)(ia) of the Income Tax Act, 1961.

- b) A Government NBFC-D can accept deposits only up to 1.50 times of Net Owned Funds as on 31st March 2025. The public deposits of the Company as on 31st March 2025, as computed by the Company, are Rs.3,557.52 crores, which is within the permissible limit. However, as the special audit report for the classification of public deposits still needs to be fully implemented, we cannot comment on whether the acceptance of public deposits by the company is within the prescribed limits.

III. We refer to the RBI master direction (2016-17/45) dated Sep. 01, 2016. We have observed that the Company needs to comply with some of the guidelines in the circular mentioned above. We have only highlighted some important guidelines that must be complied with.

- a) Chapter VI Fair Practices Code
- b) Chapter XI Corporate Governance Policy
- c) Annexure XXIII Asset Liability Management System (ALM)

IV. We refer to the RBI master direction (2016-17/38) dated 25th August 2016. The Company has not maintained a register of deposit with the particulars as specified under the said directions. This has been highlighted in the February 25, 2022, RBI inspection report.

As required by the RBI inspection report, a special audit has been conducted and the special audit report was placed before the board on 29.07.2021. The Board has passed the resolution to give effect to the revised classification of deposits with effect from 01.04.2021. However, the recommendations of the Special Audit Report still need to be implemented fully. So, we cannot comment upon the accuracy of the Classification of Public Deposits accepted as of 31-03-2025. The deposits received from Educational Trusts, Public Charitable Trusts and Temples (excluding HR&CE Temples) do not fall within exempted deposits' meaning.

V. There was a difference of Rs.9.99 lakhs between the Deposit Register and the value of Deposits reported in the financial statements during the current financial year 2024-25.

VI. The Company has availed the Working Capital Loans from banks, both Secured and Unsecured, towards onward lending to the STUs. According to the various GOs passed from time to time, the Company shall lend it to the STUs at the same terms it was borrowed, including the Interest paid to the Banks and the Guarantee Commission paid to the Government of Tamilnadu. During the year under review, except the Interest, other charges were not charged and recovered from the STUs amounting to Rs.2,877.181 lakhs.

VII. Similarly, the measurement and recognition of Deposits Accepted and Borrowings as financial liabilities and the finance cost not in line with the significant accounting policies in Note 2.6 of the Notes to Accounts.

VIII. As Section 128 of the Companies Act, 2013, every company is required to keep and maintain its books of accounts on accrual basis in order to give a true and fair view of the state of the affairs of the company. During our audit, we found that the company is maintaining its books on accrual basis.

IX. The Company has Rs.10.67 crores as total liability unclaimed matured deposits under Girl Child Protection Scheme (GCPS) framed by Government of Tamilnadu. Out of this, Rs.85.31 lakhs pertains to unclaimed deposits for more than 7 years warranting transfer to Investor Education and Protection Fund (IEPF).

We conducted our audit 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, together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

Emphasis of Matter

Our report on the stand alone financial statements is not modified no adjustments are considered necessary by the Management in the stand alone financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the stand alone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Matter

- (a) 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 qualified opinion as mentioned above and to the best of our information and according to the explanations given to us:
- (b) We refer to Notification No. RBI/DNBS/2016-17/47 dated 29/06/2016 issued by Reserve Bank of India. The Company has filed the following returns with the RBI, as required in the Notification:

Name of the Return	Periodicity
DNBS 01	Quarterly
DNBS 02 & DNBS 03	Quarterly
Return relating to reporting on Asset Liability Management (ALM) – DNBS 4B	Monthly
Reporting to Central Repository of Information on Large Credits [CRILC]	Monthly

Based on our sample check, we observed that there are delays in filing the above returns (for specific periods). Further, in the absence of data we are unable to comment on the accuracy of figures disclosed in the returns filed with the RBI.

Information Other than Financial Statements and Auditor's Report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility Report 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.

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

The Company's Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards ("Ind AS") specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 safe guards.

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 under Section 143(5) of the Companies Act, 2013, we give in the "Annexure A" to this Independent Auditor's Report our report on the directions issued by the Comptroller and Auditor General of India.
2. 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 Companies Act, 2013 and on the basis of such examination of the books and records of the Company, as we considered appropriate and according to the information and explanation given to us, we give in the "Annexure-B" to this Independent Auditor's Report, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. **As required by section 143(3) of the Act, we report that :**
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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 and Statement of Profit and Loss (including Statement on Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules.
 - e. As per Notification No. G.S.R 463 (E) dated 5th June, 2015 from the Ministry of Corporate Affairs, Government Companies are exempt from the applicability of the provisions of Sec. 164(2) of the Act. Consequently these provisions are not applicable to this Company.
 - f. 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 C" to this Independent Auditor's Report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and
 - g. As per notification number G.S.R.463 (E) dated June 5, 2015 issued by the Ministry of Corporate Affairs, Section 197 of the Act regarding remuneration to Directors is not applicable to the Company, since it is a Government Company; and

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our Opinion and to the best of our information and according to the explanation given to us:
1. The Company has disclosed the impact of pending litigations as at 31st March 2025 on its financial position in its Financial Statements. We here refer to Note 6.1 of Notes to Accounts.
 2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 3. According to the information and explanation given to us, unclaimed deposits for more than 7 years warranting transfer of amount to Investor Education and Protection Fund (IEPF) as on 31st March 2025 is Rs.85.31 lakhs. Out of this amount Rs.29.87 lakhs have been proposed to transfer for FY2024-25 as decided by the management, Rs.11.08 lakhs for the year 2023-24, and Rs.28.58 lakhs pending under legal proceedings and Rs.15.78 lakhs under correspondence for refund.
4. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company. ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
5. As stated in note 5.18 to the financial statements, the Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent, it applies to declaration of dividend.

6. Based on our examination¹ which included test checks, the Company has used an accounting software for maintaining its books of accounts, which have a feature of recording audit trail (edit log) facility, and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For Vivekanandan Associates
Chartered Accountants (FRN 005268S)
V. Vivekanandan, Partner (027204)
Chennai
UDIN:25027204BMMHRZ3269

For A Ambalatharasan & Associates
Chartered Accountants (FRN008500S)
A. Ambalatharasan, Proprietor (026508)
Chennai
UDIN:25026508BNGCQY3648

Place: Chennai

Date: 07.10.2025

“Annexure A” to the Independent Auditors Report

S.No.	Compliance	Comments								
1	<u>Whether the Company has complied with the directions issued by RBI for :</u> <ul style="list-style-type: none">• Non-Banking Finance Companies• Classification of Non-performing assets and• Capital adequacy norms for NBFCs	<p>I. Refer point I to VII of “Basis of Qualified Opinion” in our Audit Report for the financial year 2024-25.</p> <p>ii. Refer point I of “Basis of Qualified Opinion” in our Audit Report for the financial year 2024-25.</p> <p>iii. As per the prudential regulations for NBFC-D, the Capital adequacy Ratio has to be maintained at 15% (with a minimum Tier-1 capital ratio of 8%) as on 31st March 2025. The Company has maintained Capital Adequacy Ratio of 19.23% and Tier 1 Capital Ratio of 18.83%.</p>								
2 (a)	Whether the Company has a system to ensure that loans were secured by adequate security free from encumbrances and have first charge on the mortgaged assets? Further instances of undue delay in disposal of seized units may be reported.	The company does not have a system of creating charges for every loan,which is being done on a consolidated basis. The securities did not fully cover the loans; accordingly, wherever there is a short fall in securities, the same has been disclosed as unsecured.								
2 (b)	Further instances of undue delay in disposal of seized units may be reported.	The Company has no seized units, so reporting on the disposal of the same does not arise.								
3	Whether introduction of any scheme for settlement of dues and extensions thereto complied with policy/guidelines of Company/Government?	No such scheme introduced during the year.								
4	Comment on the confirmation of balances of trade receivables, trade payables, term deposits, bank accounts and cash obtained.	<p>Trade receivables - Obtained from the Management</p> <p>Trade Payable - Obtained from the Management</p> <p>Term Deposits - No term deposits with Bank</p> <p>Bank Accounts - Certificate of balance as on 31st March 2025 obtained for all current accounts held with banks and account held with RBI.</p> <p>Cash - Certificate from the Company for cash balance as on 31st March 2025 obtained.</p> <p style="text-align: right;">All amounts – Rs. In lakhs</p> <table><tr><td>Trade Receivables</td><td>- Nil</td></tr><tr><td>Trade Payable</td><td>- Nil</td></tr><tr><td>Bank Accounts</td><td>- 289.44</td></tr><tr><td>Cash & cash equivalents</td><td>- 202088.81</td></tr></table>	Trade Receivables	- Nil	Trade Payable	- Nil	Bank Accounts	- 289.44	Cash & cash equivalents	- 202088.81
Trade Receivables	- Nil									
Trade Payable	- Nil									
Bank Accounts	- 289.44									
Cash & cash equivalents	- 202088.81									

“Annexure A” to the Independent Auditors Report

S.No.	Compliance	Comments
5.	Whether the bank guarantees have been revalidated in time?	No new Bank Guarantee has been provided or obtained during the financial year 2024-25.
6.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	All the accounting transactions are passed through Oracle IT System.
7.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans /interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	No such instances of restructuring of an existing loan or cases of waiver/ write-off of debts, loans, interest thereon, etc. has been made by lender(s) to the company due to the company's inability to repay such liabilities.
8.	Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	<p>From FY 2019-20, the Government of Tamil Nadu is implementing KFW assisted project of 'Climate friendly modernisation of bus services in major cities of Tamil Nadu' with external assistance from KFW (a German-based agency) at an estimated cost of Euro 274 million. This project is being implemented through the Project Implementation Unit of the company only.</p> <p>Since the KFW project has not been registered as an assessee under Goods & Services Tax (GST), receipts and payments for this project are routed under the company's GSTIN (Goods and Services Tax Identification Number) only.</p> <p>During FY 2024-25, a sum of Rs.429.56crores was received from the Government of Tamil Nadu towards the project. Out of this, a sum of Rs.427.55 crores was transferred to the specific bank account of the KFW Project as detailed below:</p>

“Annexure A” to the Independent Auditors Report

S.No.	Compliance	Comments	
		Date	Amount (crores)
		31-08-2024	40.00
		06-11-2024	5.80
		13-11-2024	1.20
		15-11-2024	61.00
		20-11-2024	80.00
		21-11-2024	50.00
		29-11-2024	2.00
		06-12-2024	17.00
		13-12-2024	17.00
		20-12-2024	43.00
		06-01-2025	11.00
		07-01-2025	33.00
		10-01-2025	11.00
		21-01-2025	55.55
		Total	427.55

For Vivekanandan Associates
Chartered Accountants (FRN 005268S)
V. Vivekanandan, Partner (027204)
Chennai
UDIN:25027204BMMHRZ3269

For A Ambalatharasan & Associates
Chartered Accountants (FRN008500S)
A. Ambalatharasan, Proprietor (026508)
Chennai
UDIN:25026508BNGCQY3648

Date: 07.10.2025

“Annexure B” to the Independent Auditors Report

The Annexure referred to in Para I of the 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Financial Statements for the year ended 31st March 2025, we report that:

- (i)
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment ('PPE').
 - (B) The Company is maintaining proper records showing full particulars of intangible assets.
 - (b) The Property, Plant and Equipment ('PPE') have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - (c) According to the information and explanations given by the management, the company does not hold any such immovable property.
 - (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year. Therefore, the provisions of Clause (i)(d) of paragraph 3 of the order are not applicable to the company.
 - (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Refer Note No.4.8 to the Notes to Accounts of the Financial Statement.
- (ii)
 - (a) The Company is a Non-Banking Financial Company with no physical inventories. Thus, clause 3(ii)(a) of the Companies (Auditor's Report) Order, 2020 is not applicable.
 - (b) Based on the information and explanations given to us, the Company has been sanctioned working capital limits from banks in excess of Rs.5,966.62 crores in aggregate, on the basis of security of book debts as on 31st March 2025. The periodic statements filed by the Company with such banks are in agreement with the books of accounts. However, quarterly book debt statements certified by CA has been submitted for March, 2025 only.
- (iii)

During the year, the Company has made investments in and granted loans / advances in the nature of loans, secured/unsecured to State Transport Undertakings (STUs). In this regard, we report hereunder:

 - (a) The Company is a registered NBFC with Reserve Bank of India with principal business of giving loans hence clause 3(iii)(a) of the Order is not applicable.
 - (b) In our opinion, the terms and conditions of the grant of all loans and advances in the nature of loans, during the year are, *prima facie*, not prejudicial to the Company's interest except non-charging of Guarantee Commission paid to the Government of Tamil Nadu on the loans and advances provided to the STUs.
 - (c) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made there under, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated, the repayments of principal amounts and receipts of interest are generally regular as per stipulation, barring a few instances of delay.
 - (d) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and reports total amount overdue including principal and/or payment of interest by its customers for more than 90 days.
 - (e) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(e) of the Order are not applicable to it.
 - (f) According to the information and explanations given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

- (iv) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees in contravention of the provisions of section 185 and 186(1) of the Act, the other provision of the section 186 of the Act are not applicable to the Company.
- (v) According to the information and explanations given to us, in respect of deposits accepted by the company the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules made thereunder, where applicable, have been complied with except for the matter described in the Basis for Qualified Opinion section of our report (we refer point II(a) of that section).
According to the information and explanations given to us, there is no order passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal during the year.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the business activities carried out by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues, on the basis of information and explanations given to us and on the basis of our examination of the records of the Company, we report that :
(a) The Company is regular in depositing with the appropriate authorities, the undisputed statutory dues including Goods and Services Tax, Provident Fund, Income-Tax, and any other statutory dues applicable to it. There are no undisputed statutory dues payable in respect of the above statutes, outstanding as at 31st March 2025 for a period of more than six months, except the following :

Name of the Statue	Nature of Due	Financial Year	Amount (Rs. in lakhs)
Income Tax Act, 1961	Non-deduction of TDS	Prior Assessment Years	4.42

(b) According to the information and explanations given to us and as certified by the management on which we have relied upon, the disputed statutory dues not deposited on account of disputes and the matters are pending before appropriate authorities as detailed below :

Name of the Statue	Nature of Due	Assessment Year	Amount (Rs. in lakhs)
Income Tax Act, 1961	Income Tax	2000-01*	33.64
Income Tax Act, 1961	Income Tax	2020-21	2,235.71
Income Tax Act, 1961	Income Tax	2021-22	27.39
Income Tax Act, 1961	Income Tax	2017-18 to 2024-25	1,93,45.02

*However, the details of demand and the communication with the Tax department about AY 2000-01 stated above are not available for our verification.

c) According to information and explanation given to us, In order to verify the TDS compliance, after due approval from the competent authority, a TDS Survey u/s 133A (2a) was conducted in the premises of M/s. TNTDFC at No: 2, Tourism Complex, Wallajah road, Chennai- 600002 On 08.01.2025 and the same was concluded on 09.01.2025. The TDS survey was covered for the period from FY 2016-17 to FY 2022-23. Later, the Income Tax department has issued show cause notice dated 12.01.2025 why the assessed deductor should not be treated as assessee in default for non-deduction of tax for the specified entities mentioned in the notice covering FY 2016-17 to FY 2024-25. TNTDFC has filed its submission in response to the show cause notice. The Income Tax department has passed an order under Section 201/ 201(1A) of the Income Tax Act covering the FY 2016-17 to 2022-23 for total tax payable including penalty amounting to Rs. 193,45,02,127/-. The breakup is as follows:

FY	TAX (Rs)	INTEREST (Rs)	TOTAL (Rs)
2016-17	9,26,48,351	8,89,42,417	18,15,90,768
2017-18	13,41,40,407	11,26,77,942	24,68,18,349
2018-19	17,99,05,132	12,95,31,695	30,94,36,827
2019-20	18,89,20,271	11,33,52,162	30,22,72,433
2020-21	15,31,79,515	7,35,26,167	22,67,05,682
2021-22	22,85,88,717	8,22,91,938	31,08,80,655
2022-23	28,77,39,849	6,90,57,564	35,67,97,413
Total	1,26,51,22,242	66,93,79,885	1,93,45,02,127

Further, The Company has filed a rectification application for apparent mistake on record against the order under Section 154 of the Income tax Act. The outcome of the rectification application is yet to come.

The company has filed a writ petition with the Madras high court against the TDS order and court has given stay of demand and directed to remit as deposit of Rs. 15 Crores. The company has remitted the said amount On 15th July 2025. Awaiting for final order of the high court.

- (viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) In our opinion and according to the information and explanations given to us, the Terms Loans were applied for the purpose for which the Loans were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Financial Statements of the Company and further considering the Asset Liability management mechanism of the Company, we report that no funds raised on short-term basis have been utilized for long-term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of our audit.
- (b) No report under Section 143 (12) of the Act has been filed by us, during the year under report, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177, *where applicable*, were complied with. As per Notification No.463(E) dated 5th June 2015, issued by the Ministry of Corporate Affairs, the provisions of Section 188 of the Act do not apply to Government Companies.
- (xiv) (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, during the course of our audit, the reports of the Internal Auditor(s) for the period under audit, issued to the Company during the year till date, in determining the nature, timing and extent of our audit procedures in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".
- (xv) According to the information and explanations given to us and in our opinion; during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company and hence provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) In our opinion, the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained valid registration under the said section of the said Act.
- (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration(CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clauses 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable to the Company.

- (xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash loss in the financial year and the immediately preceding financial year.
- (xviii) There has been no resignation of statutory auditors of the Company during the year.
- (xix) In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the Audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- We further state that our reporting is based on the facts up to the date of the audit report and we neither give guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) According to the information and explanations given to us and based on our examination of the records of the Company, it is not required to transfer any unspent amount pertaining to the year under report to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second provision to sub-section (5) of section 135 of the said Act.
(b) According to the information and explanations given to us and based on our examination of the records of the Company, there is no amount which is remaining unspent under sub-section (5) of Section 135 of the Act pursuant to any ongoing projects.
- (xxi) Reporting under this Clause (xxi) of the Order is not applicable as the same is required to be reported only in case of consolidated financial statement.

For Vivekanandan Associates
Chartered Accountants (FRN 005268S)
V. Vivekanandan, Partner (027204)
Chennai
UDIN:25027204BMMHRZ3269

For A Ambalatharasan & Associates
Chartered Accountants (FRN008500S)
A. Ambalatharasan, Proprietor (026508)
Chennai
UDIN:25026508BNGCQY3648

Date:07.10.2025

“Annexure C” to the Independent Auditor’s Report

Report on 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 Controls over Financial Reporting of Tamil Nadu Transport Development Finance Corporation Limited (“the Company”) as of 31st March, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management Responsibility for the Internal Financial Controls

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

Auditor's 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 over Financial Reporting (the “Guidance Note”) on the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and Guidance Note require that we comply with the 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 assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to error or fraud.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of 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 authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 errors 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 Controls over Financial Reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls System over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31st March, 2025, based on the Internal Financial Controls over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

This independent audit report supersedes our original independent audit report dated 20-08-2025

For Vivekanandan Associates
Chartered Accountants (FRN 005268S)
V. Vivekanandan, Partner (027204)
Chennai
UDIN:25027204BMMHRZ3269

For A Ambalatharasan & Associates
Chartered Accountants (FRN008500S)
A. Ambalatharasan, Proprietor (026508)
Chennai
UDIN:25026508BNGCQY3648

Date: 07.10.2025

ACCOUNTS

CIN: U65191TN1975SGC006887
Balance Sheet as at 31st March 2025

PARTICULARS	Notes	As at 31.03.2025	As at 31.03.2024
		(Rupees in Lakhs)	
ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalents	7	202,088.81	188,766.69
(b) Bank balance other than included in Cash and Cash Equivalents	8	289.44	33.76
(c) Loans	9	1,997,773.05	1,815,756.60
(d) Investments	10	66,739.36	67,984.37
(e) Other Financial Assets	11	3,148.27	1,824.88
(2) Non-Financial Assets			
(a) Current Tax Assets	12	2,851.55	4,857.92
(b) Deferred Tax Assets (NET)	13		2.52
(c) Property, Plant and Equipment	14	13.68	15.91
(d) Intangible Assets	14	0.50	0.50
(e) Other Non-Financial Assets	15	2,598.78	1,920.99
TOTAL ASSETS		2,275,503.44	2,081,164.34
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Borrowings	16	587,721.54	5,96,661.68
(b) Deposits	17	1,113,750.84	1,030,000.55
(c) Other Financial Liabilities	18	1,938.66	1,943.50
(2) Non-Financial Liabilities			
(a) Current Tax Liabilities	19	1,807.13	5,452.72
(b) Provisions	20	29.40	15.65
(c) Other Non-Financial Liabilities	21	192,055.24	110,276.17
(d) Deferred Tax liability (NET)		2.89	
Total Liabilities		1,897,305.69	1,744,350.27
(3) Equity			
(a) Equity Share Capital	22	348,702.73	311,496.39
(b) Other Equity	23	29,495.01	25,317.68
Total Equity		378,197.74	336,814.07
Total Liabilities and Equity		2,275,503.44	2,081,164.34
See Accompanying notes to the Financial Statements			

For and on behalf of the Board

V.Venkatarajan
Chief Executive Officer

Pooja Kulkarni I.A.S.,
Managing Director (DIN:02783673)

Pratik Tayal I.A.S.,
Director (DIN:09422959)

As per our report attached

For Vivekanandan Associates
Chartered Accountants (Firm Regn. No. 005268S)
Partner : CA.Vivekanandan
Membership No. 027204
UDIN : 25027204BMMHRV8907

For A Ambalatharasan Associates
Chartered Accountants (Firm Regn. No. 008500S)
Partner : CA. A.Ambalatharasan
Membership No. 026508
UDIN : 25026508BNGCQL5765

Place : Chennai
Date : 14.08.2025

CIN: U65191TN1975SGC006887

Statement of Profit and Loss for the year 31st March 2025

PARTICULARS	Notes	For the year ended 31.03.2025	For the year ended 31.03.2024
Revenue from Operations		(Rupees in Lakhs)	
Interest Income	24	138,349.88	123,028.08
Others		-	-
(i) Total Revenue from Operations		138,349.88	123,028.08
(ii) Other Income	25	8.44	0.74
(iii) Total Income(I+II)		138,358.32	123,028.82
Expenses			
(a) Finance Costs	26	130,896.97	1,17,428.10
(b) Fees and Commission Expense	27	13.63	12.41
(c) Net Loss on Fair value changes		-	-
(d) Employee Benefit Expense	28	263.85	276.11
(e) Depreciation, Amortization and Impairment	14	7.45	10.05
(f) Other Expenses	29	1,122.50	970.60
(iv) Total Expenses		132,304.40	1,18,697.27
(v) Profit/(Loss) before Exceptional Items and Tax		6,053.92	4,331.55
(vi) Exceptional Items		-	-
(vii) Profit/(Loss) before Tax		6,053.92	4,331.55
(viii) Tax Expenses			
(1) Current Tax		1,809.98	1,344.45
(2) Deferred Tax		5.41	4.20
(3) Income tax earlier years withdrawn		(417.69)	
(IX) Profit/(Loss) for the year from Continuing Operations(VII-VIII)		4,656.21	2,982.90
(X) Profit/(Loss) from Discontinuing Operations		--	--
(XI) Tax Expenses of Discontinued Operations		--	--
(XII) Profit/(Loss) from Discontinued Operations (After Tax) (X-XI)		--	--
(XIII) Profit/(Loss) for the period		4,656.21	2,982.90
(XIV) Other Comprehensive Income			
(i) Items that will not be reclassified to Profit or Loss		-	-
Gain on changes in Fair Value of Government Securities			
Actuarial Gain/Loss on Gratuity	30	(3.61)	10.18
(ii) Income Tax effect on the above		--	--
Other Comprehensive Income		(3.61)	10.18
(XV) Total Comprehensive Income for the year		4,652.60	2,993.07
(XVI) Earnings per Equity Share (for continuing operations)			
Basic (Rs.)/Diluted (Rs.)		0.13	0.10
(XVII) Earnings per Equity Share (for Discontinued operations)			
Basic (Rs.)/Diluted (Rs.)		--	--
(XVIII) Earnings per Equity Share			
(for continuing and discontinued Operations)			
Basic (Rs.)/Diluted (Rs.)		0.13	0.10

For and on behalf of the Board

V.Venkatarajan
Chief Executive Officer

Pooja Kulkarni I.A.S.,
Managing Director (DIN:02783673)

Pratik Tayal I.A.S.,
Director (DIN:09422959)

As per our report attached

For Vivekanandan Associates
Chartered Accountants (Firm Regn. No. 005268S)
Partner : CA.Vivekanandan
Membership No. 027204
UDIN : 25027204BMMHRV8907

For A Ambalatharasan Associates
Chartered Accountants (Firm Regn. No. 008500S)
Partner : CA. A.Ambalatharasan
Membership No. 026508
UDIN : 25026508BNGCQL5765

Place : Chennai ; Date : 14.08.2025

CIN: U65191TN1975SGC006887
Cash Flow Statement for the year 31st March 2025

PARTICULARS	2024-2025	2023-2024
	(Rupees in Lakhs)	
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	6,053.92	4,331.55
Add/(Less): Adjustments for :		
Depreciation, Amortisation and Impairment	7.45	10.05
Provision for Standard Assets	685.00	760.15
Provision for gratuity & Leave Encashment	5.66	27.17
Premium on investments written off	140.66	-
Operating Profit before Working Capital changes	6,892.69	5,128.92
Increase or Decrease		
Increase in Lending to STUs	(182,016.25)	(211,117.60)
Increase in Financial and Non Financial Assets	(1,323.40)	58.26
Decrease in tax assets	3,338.40	2,586.52
Decrease in Non Financial Liabilities	(677.79)	215.89
Decrease in other liabilities and provisions	(3,631.27)	(1,685.39)
Increase in non financial liabilities	81,779.07	(10,594.00)
Increase in Deposits	83,750.29	27,592.09
Cash Generated from/ (used in) Operations	(11,888.27)	(187,815.31)
Less: Direct Taxes paid	(1,332.03)	(1,082.03)
Net Cash Flows from/ (used in) Operating Activities (A)	(13,220.30)	(188,897.34)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net Purchase of Assets	2.23	2.82
Decrease in investments -premium, interest	145.02	(7,419.79)
Redemption of Investments	1,100.00	950.00
Net Cash Flows from/ (used in) Investing Activities (B)	1,247.25	(6,466.97)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Decrease in Bank Borrowings	(8,940.14)	158,479.73
Increase in share capital	37,206.34	
Increase in other reserves (including share premium and net of share issue expenses, if any)	2,232.88	1,624.19
Dividend paid	(482.47)	(500.00)
Net Cash Flows from/ (used in) Financing Activities (C)	25,550.85	1,59,603.92
Net Increase in Cash and Cash Equivalents (A+B+C)	13,577.80	(35,760.40)
Cash and Cash Equivalents at the beginning of the year	188,800.45	224,560.85
Cash and Cash Equivalents at the end of the year	202,378.24	188,800.45
Component of Cash and Cash Equivalents at the end of the year		
Balances with Banks		
a) Current Accounts	177,290.75	125,317.87
b) Deposit Accounts	24,798.06	63,448.82
c) SBI Online/ Offline transaction Account	289.44	33.76
	202,378.24	188,800.45

For and on behalf of the Board

V.Venkatarajan
Chief Executive Officer

Pooja Kulkarni I.A.S.,
Managing Director (DIN:02783673)

Pratik Tayal I.A.S.,
Director (DIN:09422959)

As per our report attached

For Vivekanandan Associates
Chartered Accountants (Firm Regn. No. 005268S)
Partner : CA.Vivekanandan
Membership No. 027204
UDIN : 25027204BMMHRV8907

For A Ambalatharasan Associates
Chartered Accountants (Firm Regn. No. 008500S)
Partner : CA. A.Ambalatharasan
Membership No. 026508
UDIN : 25026508BNGCQL5765

Place : Chennai ; Date : 14.08.2025

Statement of Changes in Equity for the year ended March 31, 2025

A. Equity Share Capital

(Rupees in Lakhs)

Particulars	Amount
Balance as at 1st April 2023	311,496.39
Changes during the FY 2023-24	-
Balance as at 31st March 2024	311,496.39
Changes during the FY 2024-25	37,206.34
Balance as at 31st March 2025	348,702.73

B. Other Equity

(Rupees in Lakhs)

Particulars	Reserves and Surplus			Other Comprehensive Income	Share Application Money Pending Allotment	Total
	Special Reserve created u/s 45-IC(1) of Reserve Bank of India Act, 1934	General Reserve	Retained Earnings			
Balance as at 1st April 2023	4,507.31	1,656.77	12,645.21	25.66	-	18,834.95
Profit for the year	-	-	2,982.94	-	-	2,982.94
Re-measurement of Defined Benefit Plans	-	-	-	-	-	-
Other comprehensive Income/(Expense)	-	-	-	10.18	-	10.18
Total comprehensive Income for the FY 2023-24	4,507.31	1,656.77	15,628.15	25.66	-	21,817.89
Dividends			(598.69)	-	-	(598.69)
Transfer to/from Retained Earnings	596.58	223.72	(820.30)	-	-	-
Monies Received during the FY 2023-24, Pending Allotment	-	-	13.49		-	13.49
Balance as at 31st March 2024	5,103.89	1,880.49	14,222.65	35.84	-	21,242.87
Profit for the year	-	-	4,656.21		-	4,656.21
Other Comprehensive Income/(Expense)	-	-	-	3.61		3.61
Total Comprehensive Income for the FY 2024-25	-	-		3.61	-	3.61
Dividends	-	-	(482.47)	-	-	(482.47)
Transfer to / from Retained Earnings	931.24	349.22	(1,280.46)	-	-	
Income Tax provision reversal	126.39	47.39	459.73	-	-	633.51
Money transferred to Share capital	-	-			(8,212.57)	(8,212.57)
Balance as at 31st March 2025	6,161.52	2,277.10	17,575.66	39.45	(8,212.57)	17,841.15

CIN: U65191TN1975SGC006887

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Significant Accounting Policies and Notes on Accounts****Company Overview**

Tamil Nadu Transport Development Finance Corporation Limited was formed on 25.03.1975 as a Non-Banking Finance Company with the objective of mobilization of funds from the general public to meet both Long Term Capital and Working Capital requirements of the State Transport Undertakings without wholly depending on Government budgetary funds.

The Company is registered with the Reserve Bank of India (RBI) and Ministry of Corporate Affairs (MCA) as well as with the legal entity registry. The registration details are as follows:

RBI : RBI Registration No. 07.00403

CIN : U65191TN1975SGC006887

LEI : 9845002C5EDC3F4E9C32

"Amalgamation of Tamil Nadu Power Finance and Infrastructure Development Corporation Ltd (TNPFC) with TDFC

Government vide G.O.Ms.No.336 finance(BPE) Department dated 23.11.2023 ordered inter- alia that

In-principle clearance is given for the amalgamation of Tamil Nadu Power Finance and Infrastructure Development Corporation Ltd (TNPFC) and Tamil Nadu Transport Development Finance corporation Limited (TDFC) which is under progress.

Note 1: Basis of Preparation and Presentation**1.1 Statement of Compliance**

The financial statements have been prepared as a going concern in accordance with the Indian Accounting Standard (Ind AS), notified under section 133 of the Companies Act,2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendments Rules, 2016 issued by the Ministry of Corporate Affairs (MCA).

In addition, the guidance notes and announcements issued by the Institute of Chartered Accountants of India are also applied, except where the compliance with other statutory provisions requires different treatment.

The financial statements are presented in Indian Rupees in lakhs (INR lakhs or Rs.in lakhs) which is also the functional currency of the Company, except when otherwise indicated.

1.2 Accounting Conversion

The financial statements have been prepared under the historical cost convention, unless otherwise specifically recognized in a different manner.

Note 2: Significant Accounting Policies**2.1 Expenditure**

- a) Expenses are accounted on accrual basis and provisions are made for all known losses and liabilities. Costs associated with providing various services are accrued at the time when related revenues are recognized.
- b) Interest on belated renewals / unclaimed deposits other than deposits under Girl Child Protection Scheme are accounted for on a payment basis since it is not known whether unclaimed deposits will be withdrawn or renewed.
- c) Interest foregone by the depositor on premature withdrawal of the deposit during the current year is adjusted against the interest provision of the current year.

2.2 Revenue Recognition

(i) Interest Income:

As per Ind AS 109, Financial Instruments, interest income from financial assets is recognised on an accrual basis using Effective Interest Rate method (EIR). The Effective Interest Rate method is that exactly discounts estimated future cash receipts (including all fees, transaction costs and other premiums or discounts paid or received) through the expected life of the financial instrument to the carrying amount on initial recognition.

The EIR in case of a financial asset is computed:

- As the rate that exactly discounts estimated further cash receipts through the expected life of the financial asset to the gross carrying amount of a financial assets.
- By Considering all the contractual terms of the financial instruments in estimating the cash flows.
- Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, all other premiums, or discounts.

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

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial assets.

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit – impaired assets and financial assets classified as measured at FVTPL.

- However as per our Investment and Loan policy, all investments are held till maturity. Therefore the Effective Interest Rate will have very insignificant impact on the income or the finance asset of the company.

(ii) Net gain on fair value changes:

Any difference between the fair value of financial assets classified as fair value through the profit or loss, held by the company on the balance sheet date is recognised as an unrealized gain/loss. In cases there is a net gain in the aggregate, the same is recognised in “Net gains on fair value changes” under Revenue from operations and if there is a net loss the same is disclosed under “Expenses” in the statement of profit & loss. Similarly, any unrealized gain/loss arising out of financial assets classified as fair value through other comprehensive income, is recognised under other comprehensive income in the statement of Profit & Loss.

Any realized gain/loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain/ loss on fair value changes.

Net gain/loss on de-recognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit & Loss.

2.3 Financial Instruments:

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

Financial Assets/Liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in profit or loss. Transaction costs directly attributable to the acquisition or issue of financial assets and financial liabilities that are measured at amortised cost are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

The ongoing business model of holding financial assets (in the nature of Debt Instruments) of the company is followed as per the classification and measurement criteria disclosed below.

However, the nature of the business model in determining the classification of financial assets is to be approved as a policy by the Board in the next Board Meeting, which clearly articulates and documents the objectives for managing each asset in its portfolio.

(i) Classification of financial instruments

The Company's financial assets are categorically classified into the following measurement.

1. Financial assets to be measured at amortised cost.
2. Financial assets to be measured at fair value through other comprehensive income.
3. Financial assets to be measured at fair value through profit or loss account.

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

(ii) Measurement

Debt Instruments:

A. At amortised cost:

A financial asset is measured at amortised cost if both of the following conditions are met:

1. The asset is held within a business model whose objective is to hold them to collect contractual cash flows and
2. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding.

Such financial assets are subsequently measured at amortised cost using the Effective Interest Rate method.

B. At Fair Value through other comprehensive income:

Financial assets are measured at fair value through other comprehensive income where they have:

1. Are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
2. Contractual terms that give rise to cash flows on specified dates, represent solely principal payments and interest on the principal amount outstanding.
3. These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses are recognised in profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit or loss.

C. Items at fair value through profit or loss

Items at fair value through profit or loss comprise:

1. Investments (including equity shares) held for trading;
2. Items specifically designated as fair value through profit or loss on initial recognition; and
3. Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as 'held for trading' if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not in a qualifying hedge relationship.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

1. If a host contract contains one or more embedded derivatives; or
2. If financial assets and liabilities are both managed, and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income.

(iii) Fair Value Measurement

The fair value measurement is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level – 1:** This level includes financial assets that are measured by reference to quoted prices in active markets for identical assets or liabilities.
- Level – 2:** This level includes financial assets and liabilities, measured using inputs other than quotes prices included within Level -1 that are observable for the asset or liability, either directly (i.e. Price) or indirectly (i.e. derived from prices).
- Level – 3:** This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(iv) Impairment of Financial Assets

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The company applies the existing prudential norms set out by RBI for NBFCs. Expected credit loss on financial assets has been used as there are no indicators of significant credit impairment the debt given.

Expected Credit Loss (ECL) on Loans given:

As per RBI Inspection Report for the Financial Year 2022-23, from the Financial Year 2023-24, the Company is adopting ECL Model for making provision for Loan default etc. Ind AS 109 provides a forward looking approach laying out on the expectation of Credit Losses even at the initial recognition of assets.

As there has been no increase in credit risk since initial recognition, the company grouped its lending in Stage 1 and ECL has been recognized as 0.4% on 10% of 12 succeeding months Principal outstanding as well as interest payable. The ECL provision has been disclosed under the head duly deducting from the loan outstanding in compliance of IND AS.

12 months' Principal + interest receivable	=	10615,15,00,000.00
10% of the above	=	1061,51,50,000.00
0.4% of 10% (1)	=	4,24,60,600.00
ADD: Management overlay (2)	=	2,60,39,400.00
Provision made for the current year (2024-25) (1) + (2) =		6,85,00,000.00

The Company has given loans to State Transport Undertaking (STUs). The Company has entered into a tripartite agreement with the STUs and Banks to disburse and collect the loans. The Government of Tamilnadu backed these loans through adequate compensation through subsidies.

Expected Credit Loss (ECL) on Investments Made:

The Company has invested in Government Securities (State Development Loans to the Government of Tamilnadu) and Bonds of Banks & Public Financial Institutions. These investments are classified under Stage 1. No ECL has been applied to these investments as there is no history of delay in servicing interest/repayments. The Company does not expect any delay in interest/redemption servicing in future.

Details of Comparison between Provisions required under IRACP and Impairment allowance made under Ind AS 109:

Note 2.3 (c)(iv):

(Rs in Lakhs)

Asset Classification as per RBI Norms	Asset Classification	Gross Carrying Amount	Loss Allowance (Provision) as required	Net Carrying Amount	Provision required as per IRACP Norms	Difference between Ind AS 109 provision & IRACP Norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	2004628	685	2003943	8027	-7342
	Stage 2	-	-	-	-	-
Sub Total		2004628	685	2003943	8027	-7342

(v) De-recognition of financial assets and financial liabilities

Financial asset: A Financial asset or a part thereof is primarily de-recognised when:

The right to receive contractual cash flows from the assets has expired, or if the company has transferred its right to receive cashflows from the assets or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

1. The company has transferred substantially all the risks and rewards of the asset, or
2. The company has neither transferred nor retained substantially all the risks and rewards of the assets but has transferred control of the asset.

If the company enters into transactions whereby it transfers assets recognised on its balance sheet but retains all or substantially all the risks and rewards of the transferred assets, the transferred assets are not de-recognised.

On de-recognition of a financial asset, the difference between the carrying amount of the assets and the consideration received is recognised in profit or loss.

Financial Liabilities: The company de-recognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

2.4 Property, Plant and Equipment

The property, plant and equipment are the assets held for the use in the supply of services, and are recognized as per Ind AS 16: Property, Plant and Equipment.

Cost

Property, plant and equipment's are stated in the balance sheet at cost (net of duty/ tax credit availed) less accumulated depreciation and accumulated impairment losses.

Cost of acquisition is inclusive of freight, non- refundable duties & taxes and other directly attributable cost of bringing the asset to its working conditions for the intended use.

An item is recognised as property, plant and equipment if and only if it is probable that future economic benefits associated with the item will flow to the company and its costs can be measured reliably. Subsequently expenditure is added to the carrying amount or recognised as separate asset, when the company expects future economic benefits from that item.

Depreciation

Depreciation is recognised to write off the cost of assets less their residual values over their useful lives, using the written down value method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Impairment

The Property, plant and equipment with definite life are reviewed for impairment whenever the events or changes indicate that their carrying value may not be recoverable. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the assets is allocated over its remaining useful life. An item of the property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of the item of property, plant and equipment is determined as the difference between the sale proceeds and carrying amount of the assets and is recognised in profit and loss.

2.5 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses (if any). Software is amortised on a straight-line basis over the license period or three years, whichever is lower. Other intangibles are amortised based on the estimated useful life as determined. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

An Intangible asset is derecognised on disposal or when no future economic benefits are expected from use of disposal. Gains or losses arising from derecognition of an intangible asset measured as the difference between the net disposal proceeds and the carrying amount of the asset as recognised in profit or loss when the asset is derecognised.

Amortization :

Amortization is recognized in the Statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use.

2.6 Finance Cost

As per Ind AS 109, Financial instruments, finance cost, i.e. interest expenses from financial liabilities is recognised on an accrual basis using effective interest rate method (EIR). The effective interest rate method is the rate that exactly discounts estimated future cash payments (including all interest payments and guarantee commission) through the expected life of the financial instruments to the carrying amount on initial recognition.

However, the deposit accepted by the company has fixed rate of interest payable and therefore are not subject to fluctuations. The bank borrowing cost are borne by the respective borrowers (STU's) and this company does not charge any margin. This policy will have no impact as our contracts are pre-determined.

2.7 Employee benefits**Short-term employee benefits:**

A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short-term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Advances to staff:

Advances given to staff at rates below the market rate are accounted for as financial assets. The advances are not discounted as the amount is not significant and repayable within 12 months from the Balance Sheet Date.

Post-employment benefit plans:**Defined Contribution Plan**

Payments to defined contribution plans i.e., Company's contribution to provident fund and employee pension scheme and are determined under the relevant schemes and/ or statute and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employee.

Defined Benefit Plan

For defined benefit plans i.e. Company's liability towards gratuity (funded), other retirement terminations benefits and compensated absences, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Defined benefit costs are comprised of:

- i. Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements)
- ii. Net interest expense or income; and
- iii. Re-measurement.

The Company presents the first two components of defined benefits costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/losses (i.e. changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Provision for Gratuity benefits has been determined by the Fund Statement provided by the Life Insurance Corporation (LIC), which maintains the fund, and the Company is contributing to the same to keep annual contributions of the Company relatively stable at a level such that no plan deficits (based on a valuation performed) will arise.

Leave encashment benefits are calculated as per actuarial valuation and provided for, though no separate fund is created / administered.

In respect of employees on deputation, gratuity is provided as per the terms and conditions of deputation.

Employee Benefits under Indian Accounting Standard (Ind AS 19)

A. Gratuity Plan (Funded)

(Amount in Rs.)

Accrued Gratuity Liability Valuation as on 31st March 2025	As on 31st March 2025 #	As on 31st March 2024
Movements in Accrued Liability		
Accrued Liability as at beginning of the period	25,85,657*	44,18,673*
Interest Cost	1,87,460	3,20,353
Current Service Cost	1,33,948	1,14,273
Benefits Paid	(24.12)	(25,26,694)
Actuarial (gain) / loss on obligations recognised	45,490	2,59,052
Accrued Liability as at the end of the period:	29,52,531	25,85,657
Amounts to be recognized in the Balance Sheet		
Present Value of obligations as on the accounting date:	29,52,531	25,85,657
Fair Value of the Plan Assets (Fund is being maintained with LIC 100%)	25,59,933	21,61,395
Liability to be recognized in the Balance Sheet	(3,92,598)	(4,24,262)
Expenses to be recognized in Profit & Loss Account		
Interest Cost	1,87,460	3,20,353
Current Service Cost	1,33,948	1,14,273
Past Service Cost		
Expected Return on Plan Assets	(1,70,532)	(1,68,935)
Net Actuarial (gain) / loss recognized in the year	45,490	2,59,052
Net Expenses to be recognized in Profit & Loss Account	1,96,366	5,24,743
Principal Actuarial Assumptions		
a. Discount Rate (Per Annum)	7.25%	7.25%
b. Rate of Return on Plan Assets	7.89%	4.02%
c. Salary Escalation Rate	5%	5%
d. Mortality	Based on LIC (1994-96)	Based on LIC (1994-96)
e. Employees' Turnover	Nil	2 Retirement

Note :

* The Company maintains two Group Gratuity Schemes with Life Insurance Corporation of India (LIC) towards funding their gratuity obligations vide policy numbers 605007235 and 605010364.

The figures of FY 2024-25 disclosed in the above table are based on the Fund Statement provided by LIC (as on 31st March 2025).

b. Leave Encashment (Non-Funded)

(Amount in Rs.)

Part I Leave Encashment		As on	As on
Valuation as on 31st March 2025		31st March 2025	31st March 2024
A	Notional Accrued Benefit Obligation (in Rs.)	24,18,424	14,66,194
	Average Age (in years)	51	50
	Expected (decrement related) future service (in years)	10	11
	Projected actuarial value of Benefit Obligations(in Rs.)	25,75,911	15,65,934
B	Mean Financial Assumptions		
	Discount Rate per unit per annum	0.0650	0.0725
	Salary escalation rate	0.0500	0.0500
C	Mean Demographic Assumptions		
	Mortality	IALM (2012-14) ULTIMATE	IALM (2012-14) ULTIMATE
	Withdrawal	5%	5%
	Disability	No Explicit Assumption	No Explicit Assumption
	Leave Availment on a service basis	20%	20%
	Leave Availment in the separation of service	80%	80%

Part II Leave Encashment		As on	As on
Valuation as on 31st March 2025		31st March 2025	31st March 2024
(A)	Movements during the valuation year		
1	Inter Valuation period (in years)	1	1
2	Opening Balance of Actuarial value of Benefit Obligations (in Rs.)	15,65,934	25,30,519
3	Interest Cost assuming that claims paid in middle of financial year (in Rs.)	1,13,530	1,83,463
4	Current service cost (in Rs.) (Refer AS 15 (Revised 2005))	1,82,027	1,28,754
5	Past Service cost (in Rs.) (Refer AS 15 (Revised 2005))	-	-
6	Curtailment cost/(credit) (in Rs.) (Refer Para 110-116 of AS 15 (Revised 2005))	-	-
7	Settlement cost / (credit) in Rs. (Refer Para 110-116 of AS 15 (Revised 2005) 48)	-	-
8	Benefits paid (in Rs.)	0	0
9	Actuarial Gain/(Loss) on Benefit Obligations (in Rs.)	7,14,420	12,76,802
10	Closing Balance of Actuarial Value Benefit Obligations (in Rs.)	25,75,911	15,65,934
(B)	Movement in Profit & Loss Account		
1	Interest cost = A3	1,13,530	1,83,463
2	Current Service Cost = A4	1,82,027	1,28,754
3	Actuarial Gain/(Loss) on Benefit Obligations (in Rs.)=A9	7,14,420	(12,76,802)
4	Net Cost Recognized = B1+B2+B3	10,09,977	(9,64,585)
(C)	Final Balance Sheet Movement		
1	Opening Balance of Actuarial value of Benefit Obligations (in Rs)	15,65,934	25,30,519
2	Add: Net Cost (in Rs.) = B4	10,09,977	9,64,585
3	Less: Claims Paid (in Rs.) = A8	0	0
4	Closing Balance of Actuarial Value Benefit Obligations (in Rs.)	25,75,911	15,65,934

Other long-term employee benefits:

The obligation for other long-term employee benefits such as long-term compensated absences, liability on account of Retention Pay Scheme is recognised in the same manner as in the case of defined benefit plans as mentioned above.

Termination benefits

Termination benefits such as compensation under Voluntary Retirement cum Pension Scheme are recognised as expense and a liability is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.8 Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current tax

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary differences arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and Deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.9 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets and their value in use.

2.10 Events occurring after the balance sheet date

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

2.11 Dividends

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's board of directors.

2.12 Use of estimates

The presentation of financial statements requires the management to make estimates and assumption that may affect the balances of assets and liabilities and the reported amounts of income and expenditures during the period under audit. However, the actual results could differ from those estimated which will be recognised prospectively.

Significant areas of judgement/estimation are disclosed in the respective notes.

2.13 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursements will be received, and the amount of the receivable can be measured reliably.

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

2.14 Earnings per Share:

Basic earnings per share, is calculated by dividing the net profit/loss after tax for the period attributable to the equity shareholders by the weighted average number of shares outstanding during the year. A separate EPS has to be calculated for continuing and discontinued operations as well as the combined profit.

The diluted earnings per share have been computed using weighted average number of shares adjusted for the effects of all potentially dilutive equity shares.

2.15 Guarantee Commission :

Guarantee Commission payable to Government of Tamil Nadu is accounted on the total loan amount actually availed.

2.16 Leases:

On March 30, 2019, the Ministry of Corporate Affairs (MCA) has notified new Ind AS on leases, Indian Accounting Standard (Ind AS) 116 which is applicable from 01/04/2019. However, the application of IND-AS 116 did not have any significant impact on recognition and measurement of lease rental in the financial position and the operational results of the Company. The Company has not entered into any finance lease.

- (i) The rent paid amount includes outstanding rent arrears paid for the period spanning from October 2021 to July 2024.

- 2.17** Previous year's figures have been regrouped wherever necessary to confirm to this year's classification.
- 2.18** The business model of the company is "Hold to Collect" the loan financial assets and in respect of investment it is "Held to maturity"
- 2.19** Under a tripartite agreement by the Company with SBI and 8 STU, a O.D. facility of Rs.1348.09 crores has been availed in stages since October 2019. This O.D. facility is redistributed to all STUs banning them from obtaining any additional facility with any other bank. As per the facility all STUs shall remit the daily bus collections to this O.D. account only. The bus fare collections remitted to this account by the 8 STUs for 2024-25 is more than Rs.7400 crores. TDFC and SBI has prerogative to appropriate the interest on this facility. And TDFC has facility to recover any dues from STU. The Government financial assistance in the form of subsidy and reimbursement received in 2024-25 is Rs.6670.82 crores compared to TDFC's monthly principal and interest demand of Rs.5717.55 Crores.

Note 3 : Use of Estimates and Management Judgement

In preparation of the standalone financial statements, the Management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities including contingent liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience & other relevant factors and are reviewed on an ongoing basis. Actual results may differ from these estimates.

Changes in accounting estimates, if any, are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if it affects both current and future periods.

Note 4 : Aging Schedule

4.1 Trade Receivables aging schedule

There is no Trade Receivable during the year.

4.2 Trade Payables aging schedule

There is no Trade Payables during the year.

4.3 Details of Shareholding of Promoters

Shares held by promoters at the end of the year 2024-2025					% of Total Shares
S.No	Promoter Name	Opening No. of Shares	Changes During the Year	Closing No. of Shares	
1.	Government of Tamil Nadu	311,49,63,758	37,20,63,400	348,70,27,158	99.999997%
2.	Finance Secretary, Finance Dept	50		50.00	0.000161%
3.	Managing Director, TDFC Ltd	10		10.00	0.000032%
4.	Transport Secretary, Transport Dept	10		10.00	0.000032%
5.	CEO, TNIDB	10		10.00	0.000032%
6.	Energy Secretary, Energy Dept	10		10.00	0.000032%
7.	Deputy Secretary (Budget) Finance Dept	10		10.00	0.000032%
	Total	311,49,63,858	37,20,63,400	3,48,70,27,258	100.000%

4.4 Details of Title deeds of Immovable Properties not held in name of the Company

The Company has no immovable property.

4.5 The Company being a Government Company, has no loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person.**4.6** There is no Capital-work-in progress.**4.7 Intangible assets under development**

There are no Intangible assets under development.

4.8 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.**4.9** The Company is not declared as wilful defaulter by any bank or financial Institution or other lender.**4.10** The Company has no transactions with the Companies struck off under section 248 of companies Act, 2013 or section 560 Companies Act, 1956.**4.11 Registration of charges or satisfaction with Registrar of Companies (ROC)**

The following charges are yet to be registered with ROC beyond the statutory period, are given below :

S.No	SRN	Charge ID	Charge Holder Name	Date of Creation	Amount (Rs.)	Reason
1.	Y10427179	90304252	Life Insurance Corporation India	22/03/1988	50,00,000	Very old Records not traceable
2.	Y10426967	90304040	Life Insurance Corporation India	12/03/1985	2,64,00,000	
3.	Y10426912	90303985	Life Insurance Corporation India	19/03/1984	2,40,00,000	
4.	Y10426859	90303932	Life Insurance Corporation India	10/03/1983	1,79,00,000	
5.	Y10426824	90303897	Life Insurance Corporation India	16/03/1982	3,78,00,000	

The company obtained LIC of India, Mumbai address and forwarded the evidence for the closure of LIC Loan and requested to lift the charges from the MCA portal. Further action is awaited from LIC of India.

4.12 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction of number of Layers) Rules, 2017.

4.13 The Company has not surrendered or disclosed any income under the relevant provisions of Income-tax Act.**4.14 Utilisation of Borrowed funds and share premium :**

(A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

- (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(B) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

- (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (ii) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

4.15 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto-currency or Virtual Currency during the financial year.

4.16 The monthly statement of Book debts filled by the Company with the Banks from whom the Company has borrowed are in agreement with the Book of Accounts.

4.17 SLR/LCR

The Company has Statutory Liquidity Ratio (SLR) @ 18.33% and a Liquidity Coverage Ratio (LCR) of 735.06% as on 31.03.2025.

Note 5 :Prudential Norms

5.1 CAPITAL ADEQUACY

Particulars	As at March 31, 2025	As at March 31, 2024
CRAR (%)	19.23%	18.88%
CRAR- Tier I Capital (%)	18.83%	18.48%
CRAR - Tier II Capital (%)	0.40%	0.40%
Amount subordinated debt raised as Tier- II capital	Nil	Nil
Amount raised by issue of Perpetual Debt Instruments.	Nil	Nil

5.2 INVESTMENTS

(Rs in Lakhs)

A. Particulars		As at March 31, 2025	As at March 31, 2024
1	Value of Investments	65,195	66,329
	(i) Gross Value of Investment		
	(a) In India	65,195	66,329
	(b) Outside India	-	-
	(ii) Provision for Depreciation	-	-
	(a) In India	-	-
	(b) Outside India	-	-
	(iii) Value of Investment	-	-
	(a) In India	65,195	66,329
	(b) Outside India	-	-
2	Movement of provisions held towards depreciation on investments	-	-
	(i) Opening balance	-	-
	(ii) Add : Provisions made during the year	-	-
	(iii) Less : Write – off / write – back of excess provision during the year	-	-
	(iv) Closing balance	-	-

- Interest accrued on Investments: Rs.1288.83 lakhs (Previous year Rs. 1258.89 lakhs)
- Fair Market Value as on 31.03.2025 is Rs.66367.28lakhs (Previous year Rs.67984.37 lakhs)

- B. Investments are disclosed at face value including the premium paid there on. Investments are held to maturity and not for trading hence fluctuations in market price not considered. The premium paid on purchase of investments is written off for Rs. 140.66 lakhs from 2024-2025 over its maturity period. The balance amount to be written off is Rs. 255.53 lakhs. (Rs.396.19 lakhs)

5.2.1 Details of non-performing assets purchased:**(Rs. in Lakhs)**

Particulars	As at March 31, 2025	As at March 31, 2024
1. (a) No. of accounts purchased during the year	NIL	NIL
(b) Aggregate outstanding	NIL	NIL
2. Provision for Depreciation		
(a) In India	NIL	NIL
(b) Outside India	NIL	NIL
(c) Of these, number of accounts restricted during the year	NIL	NIL
(d) Aggregate outstanding	NIL	NIL

B. Details of non-performing assets Sold:**(Rs. in Lakhs)**

Particulars	As at March 31, 2025	As at March 31, 2024
1. No. of accounts sold	NIL	NIL
2. Aggregate outstanding		
3. Aggregate consideration received		

5.3 ASSET LIABILITY MANAGEMENT MATURITY PATTERN OF CERTAIN ITEMS OF ASSETS AND LIABILITIES:**(Rs. in Lakhs)**

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days(one month)	Over 1 Month upto 2 months	Over 2 Months upto 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 Year	Over 1 Year upto 3 years	Over 3 Years upto 5 Years	Over 5 Years	Total (Face Value)
Deposit *	19367.29	3949.9	9218.09	67958.83	40479.07	162012.11	224223.43	453911.65	61941.62	-	1043061.99
Advances *	0.00	0.00	45040.18	105908.37	45075.18	282158.06	499039.27	752017.88	134741.64	140647.4	2004627.98
Investments *				-	0	0	0	2000.00	11695	51500	65195
Borrowings *	-	-	-	60000	150000	0	242701.71	0	0	134809	587510.71
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-

* Without accrued interest.

5.4 EXPOSURES:**5.4.1: Exposure to Real Estate Sector: Rs. Nil (previous year Rs. Nil)****5.4.2: Exposure to Capital Market:Rs. Nil (previous year Rs. Nil)****5.5: Details of Single Borrower Limit (SBL) / Group Borrower Limit (GBL)**

The request of Tamilnadu Transport Development Finance Corporation Limited seeking exemption from credit/investment concentration norms has been acceded by the Reserve Bank of India vide Notification (RBI/2016-19/130) Harmonization of different categories of NBFC's(w.e.f. February 22, 2019).

5.6: MISCELLANEOUS:**5.6.1: Registration obtained from other financial sector regulators: Rs. Nil (previous year Rs. Nil)****5.6.2: Disclosure of Penalties imposed by RBI and other regulators: Rs. Nil (previous year Rs. Nil)****5.6.3: Ratings assigned by credit rating agencies during the year:**

Name of the Rating Company	Particulars	Ratings
ICRA Ltd.	Loan for Rs. 4000 crore	Rs.1,348.09 crores = BBB+ (CE) stable reaffirmed Rs.600 crores = A2(CE) reaffirmed Rs.1455 crores = A2(CE) reaffirmed Rs.90 crores = BBB-(Stable) Rs.506.91 crores = BBB-(Stable)/A3 reaffirmed
	Deposit Rs. 4000 crores	[ICRA]BBB - Stable reaffirmed
CARE Edge	Loan for Rs.3000 crore	Rs.2500 crores - CARE BBB / A3(RWD) Rs.500 crores - CARE A3 (RWD)

5.6.4: Related party Transactions:

The Company has no other organizations under its control / joint ventures and associates with whom transactions have taken place during the year. The Company being a Government Company, Government of Tamil Nadu appoints the key management personnel.

A. List of Related Parties :**(Rs. in Lakhs)**

S.No	Nature of Relationship	Name of the Party
1.	Key Management Personnel (KMP)	Mr.V.Venkatarajan (Chief Executive Officer)
2.	Key Management Personnel (KMP)	Tmt.R.Malarvizhi Sheela (Chief Financial Officer)
3.	Key Management Personnel (KMP)	Tmt.S.S.Sruthi (Company Secretary)

B. Summary of Related Party Transactions :**(Rs. in Lakhs)**

Particulars	Key Management Personnel (KMP)	
Payments/Expenses	March 31,2025	March 31,2024
Payment to key management personnel *	31,61,018	42,73,503
Total during FY 2024-25	31,61,018	42,73,503
Balance outstanding at the year end	-	-

* The Group has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial year ended March 31, 2025 and March 31, 2024.

5.7: ADDITIONAL DISCLOSURES:

5.7.1: Provisions and Contingencies:

(Rs.in lakhs)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in the Statement of Profit and Loss	As at March 31,2025	As at March 31, 2024
Provisions for depreciation on investment	-	-
Provisions towards NPA	-	-
Provisions made towards Income tax	1807.13	5452.72
Other Provision and Contingencies (with details) provided for employees' benefit (Gratuity payable & leave salary)	58.93	41.52
Provision for Standard Assets/ECL	8027.45	7342.45

5.7.2: TERM DEPOSITS:

The Term Deposits accepted from public and others under various schemes are :

(Rs. In Lakhs)

Schemes	As at March 31,2025			As at March 31, 2024		
	Public	Others	Total	Public	Others	Total
Periodic Interest Payment Scheme	1,55,474.87	2,69,770.09	4,25,244.96	1,50,534.69	2,57,515.11	4,08,049.80
Money multiplier Scheme	1,32,645.38	4,85,171.65	6,17,817.03	1,42,095.65	4,16,645.66	5,58,741.31
TOTAL	2,88,120.25	7,54,941.74	10,43,061.99	2,92,630.36	6,74,160.76	9,66,791.12

During the year 2024-25 the Deposit amount of Rs.14.23 lakhs received in bank account but Deposit Applications yet to be received are disclosed in 'Term Deposit - Others - Money multiplier Scheme' (Interest accrued and/or not due on Deposits Rs. 70,606.14 Lakhs).

5.7.3: Concentration of Deposits:

(Rs.in Lakhs)

Particulars	As at March 31,2025
Total Deposits of twenty largest depositors	6,09,839
Percentage of Deposits of twenty largest depositors to Total Deposits	58.47%

All KYC norms as per statutory requirements have been adhered to.

5.7.4: Concentration of Advances:**(Rs.in Lakhs)**

S.No.	Name of the twenty largest Borrowers	As at March 31,2025
1	TNSTC (Coimbatore) Limited	3,65,586
2	TNSTC (Kumbakonam) Limited	2,10,498
3	TNSTC (Madurai) Limited	2,38,959
4	MTC (Chennai) Limited	2,81,586
5	SETC (Tamilnadu) Limited	1,97,775
6	TNSTC (Salem) Limited	1,85,971
7	TNSTC (Tirunelveli) Limited	2,93,673
8	TNSTC (Villupuram) Limited	2,30,580
Total Advances of twenty largest borrowers		20,04,628
Percentage of Advances to twenty largest borrowers to Total Advances		100%
The only Eight borrower of Tamilnadu Transport Development Finance Corporation Limited.		

5.7.5: Concentration of Exposures:**(Rs.in Lakhs)**

S.No.	Name of the twenty largest Borrowers/Customers.	As at March 31,2025
1	TNSTC (Coimbatore) Limited	3,65,586
2	TNSTC (Kumbakonam) Limited	2,10,498
3	TNSTC (Madurai) Limited	2,38,959
4	MTC (Chennai) Limited	2,81,586
5	SETC (Tamilnadu) Limited	1,97,775
6	TNSTC (Salem) Limited	1,85,971
7	TNSTC (Tirunelveli) Limited	2,93,673
8	TNSTC (Villupuram) Limited	2,30,580
Total Exposure of twenty largest borrowers/customers		20,04,628
Percentage of Exposure to twenty largest borrower to Total Exposure		100%
The only Eight borrower of Tamilnadu Transport Development Finance Corporation Limited.		

5.7.6: Concentration of NPAs: Rs. Nil (previous year Rs. Nil)**5.7.7: DISCLOSURE OF COMPLAINTS:**

Particulars		No. of Complaints For FY 24-25	No. of Complaints For FY 23-24
a.	No. of complaints pending at the beginning of the year	5	74
b.	No. of complaints received during the year	5290	3,993
c.	No. of complaints redressed during the year	5276	4,062
d.	No. of complaints pending at the end of the year	19	5

The top 5 grounds of complaints for the Current year 24-25 are as follows:

1. Request for TDS Certificate.
2. Request for Interest statement.
3. Premature withdrawal details for reduced interest rates.
4. Requested interest for holidays if maturity falls due on holiday.
5. Request interest for delayed renewal.

5.8: Disclosure of Asset Classification Instalments Overdue as on March 31, 2025

(Rs. In Lakhs)

Particulars	As at March 31,2025	As at March 31,2024
SETC Ltd.	Nil	Nil
TNTSC (Tirunelveli)	Nil	Nil
TNTSC (Coimbatore)	Nil	Nil
TNTSC (Kumbakonam)	Nil	Nil
TNTSC (Salem)	Nil	Nil
TNSTC (Madurai)	Nil	Nil
TNSTC (Villupuram)	Nil	Nil
MTC Ltd.	Nil	Nil
TOTAL	Nil	Nil

The Company considers the loan is recoverable and good. Hence, the provisioning under RBI circular No. DOR No. BP.BC.63/21.04.048/2019-20 Dt. 17.04.2020 are not availed and not provided during the current year 2024-2025.

5.9: Reporting and Monitoring of Frauds:

As per Master Directions Monitoring of Frauds in NBFC (Reserve Bank) Directors, 2016, No frauds are reported to Reserve Bank of India during the Financial Year 2024-2025.

5.10: Dues to Micro, Small and Medium Enterprises (MSME)

- a. Principal (Net) amount remaining unpaid to any supplier as at the end of the accounting year is Rs. Nil (P.Y. Rs. Nil).
- b. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year is Rs. Nil (P.Y. Rs. Nil).
- c. The amount of interest paid along with the amount of the payment made to the supplier beyond the appointed day is Rs. Nil (P.Y. Rs. Nil).
- d. The amount of interest due and payable for the year is Rs. Nil.
- e. The amount of interest accrued and remaining unpaid at the end of the accounting year is Rs. Nil (P.Y. Rs. Nil).
- f. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid Rs. Nil (P.Y. Rs. Nil).

5.11: Segment Reporting:

The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Indian Accounting Standard 108.

5.12: Expenditure in Foreign Currency: Rs. Nil (Previous year: Rs. Nil).

5.13: Capital Management Strategy

The Company's capital management strategy is to ensure that it has sufficient capital for business operations, strategic investment, regulatory requirements and to provide reasonable return to the shareholders. Equity share capital and other equity are considered for Capital management.

5.14: Financial Risk Management Framework

Risk is an inherent and integral part of the financial services business, and the company has been judiciously managing this through an efficient risk mitigation system, with a view to achieve the Company's stated objectives of Growth with Quality and Profitability. The risks primarily include credit risk, liquidity risk and market risk.

a. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet his contractual obligations and arises principally from the company's loan receivables.

The company's current exposure is to one government department and retail loans against deposits. Loans against deposits are disbursed after retaining adequate margin and risk of default by the government department is also minimal. Hence, the company is subject to limited risk despite concentration of exposure. The Company applies the existing prudential norms set out by RBI for NBFCs. Expected credit loss model for recognizing impairment loss on financial assets has not been used as there are no indications of significant credit impairment for the debt given.

b. Liquidity Risk

Liquidity risk relates to our potential inability to meet all payment obligations when they fall due or only being able to meet them at excessive costs. The objective of the liquidity risk management framework is to ensure that the company can fulfil its payment obligations at all times and can manage liquidity and funding risks with its risk appetite. The Asset Liability Committee regularly monitors the liquidity position and the duration of assets / liabilities. The company maintains a liquidity ratio as per regulatory requirements by investing in government securities.

c. Market Risk

Market risk is the risk of loss arising from potential adverse changes in the value of the firm's assets and liabilities from fluctuation in market variables like liquidity, interest rate and equity prices.

i) Interest Rate Risk

The company's exposure to changes in interest rates relate to its investment in debt securities. All the debt securities of the company is in local currency and on fixed rate basis and hence not subject to interest rate risk.

ii) Currency Risk

The company does not have any borrowings or investments in foreign currency and hence not subject to currency risk.

iii) Equity Risk

The company has investments in Bonds only, which are measured at 'At Amortised Cost' basis, as per IndAS 109 : Financial Instruments.

5.15 The Lending Rate increased for Long Term Loan from 7.40% to 7.60% p.a, including the existing loans with effect from 01.10.2024 and new loans sanctioned during the financial year 2024-25.

5.16 Regarding CSR, during the current financial year 2024-25, Rs101.06 lakhs have been transferred as detailed below for CSR activities .

Sl.No	Details	Purpose	Amount Rs.in lakhs
1.	TNSTC Coimbatore Ltd.	Providing facilities for passengers at Gudalur Bus Stand and Terminus	48.00
2.	MTC Ltd.	Construction of Public Toilet at Kannagi Nagar Bus Terminus.	30.00
3.	TNSTC Villupuram Ltd.	Construction Disability friendly toilets	10.00
4.	IRT	Road Safety activities Gummidipoondi Driver Training Drivers at Taramani and Gummidipoondi	13.06
		Total	101.06

(Rs. in lakhs)

Opening Balance	Nil
Gross amount required to be spent during the year	101.06
Total	101.06
<u>Amount spent during the year</u>	
(i) Construction and acquisition of any assets	Nil
(ii) Other than (i) above	101.06
Balance	Nil

5.17: KFW Project

From the year 2019-20, Govt. of Tamil Nadu is implementing KFW assisted project of 'Climate friendly modernization of bus services in major cities of Tamil Nadu' with an external assistance from KFW (a Germany based agency) at an estimated cost of Euro 274 million. This project is being implemented through Project Implementation Unit of TDFC. TDFC is acting as custodian of funds. There is no income or expense on account of this project to TDFC. The fund undisbursed as on 31.03.2025 is Rs.15,669 lakhs.

5.18: DIVIDEND

The Board of Directors has declared an interim dividend for the financial year 2024-25 Rs.4,00,00,000/- . As per Accounting Standards the interim Dividend (Rs.400.00 lakhs) made on the Net Profit was paid and appropriated in Profit and Loss Account for the financial year 2024-25.

5.19: Liquidity Coverage Ratio

S.No	Particulars	As at Mar 31, 2025		As at Dec 31, 2024		As at Sep 30, 2024		As at Jun 30, 2024		As at Mar 31, 2024	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
1	High Quality Liquid Assets										
	Total High Quality Liquid Assets (HQLA)**	226241.92	226191.92	214337.96	214262.96	229029.74	228934.74	187400.75	187235.75	236673.47	236598.47
2	Cash Outflows										
3	Deposits (for deposit taking companies)	43418.11	49930.83	55237.64	63523.29	75171.35	86447.05	79399.44	91309.35	64080.05	73692.06
4	Unsecured wholesale funding	2000.00	2300.00	533.33	613.33	16666.67	19166.67	0.00	0.00	10.00	11.50
5	Secured wholesale funding	48500.00	55775.00	72000.00	82800.00	50000.00	57500.00	21300.00	24495.00	48500.00	55775.00
	Additional requirements, of which										
	(i) Outflows related to derivative exposures and other collateral requirements										
	(ii) Outflows related to loss of funding on debt products										
	(iii) Credit and liquidity facilities										
6	Other contractual funding obligations										
7	Other contingent funding obligations										
8	TOTAL CASH OUTFLOWS	93918.11	1,08,005.83	127770.97	146936.62	1,41,838.01	1,63,113.72	100699.44	115804.35	112590.05	129478.56
9	Cash Inflows										
10	Secured lending		0.00		0.00		0.00		0.00		0.00
11	Inflows from fully performing exposures	102978.74	77234.05	87250.48	65437.86	111892.85	83919.64	80395.40	60296.55	101900.40	76425.30
12	Other cash Inflows		0.00		0.00		0.00		0.00		0.00
13	TOTAL CASH INFLOWS	102978.74	77,234.05	87250.48	65437.86	111892.85	83,919.64	80395.40	60296.55	101900.40	76425.30
	TOTAL HQLA		226191.92		214262.96		228934.74		187235.75		236598.47
	TOTAL NET CASH OUTFLOWS										
	[(Total Weighted Cash Outflows)-Minimum of (75% of Total Weighted Cash outflow or Total Weighted Cash inflows)]		30771.77		81498.76		79194.08		55507.80		53053.26
14	LIQUIDITY COVERAGE RATIO(%)		735.06%		262.90%		289.08%		337.31%		445.96%

****Components of HQLA need to be disclosed**

Cash and Cash Equivalents	160449.58	148246.96	162805.40	120709.75	171484.81
Govt Securities	65459.00	65591.00	65591.00	65591.00	64688.67
Bonds	333.33	500.00	633.33	1100.00	500.00
Total HQLA	226241.92	214337.96	229029.74	187400.75	236673.47

*Unweighted values calculated as outstanding balances maturing or callable within 30days (for inflows and outflows).

#Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow. Classification of inflows and outflows for determining the run off factors is based on the same estimates and assumptions as used by the Company for compiling the return submitted to the RBI, which has been relied upon by the auditors.

Note 6: Miscellaneous**6.1: Contingent Liabilities**

- For the Assessment Year 2020-21, TDFC Ltd. has claimed Rs.3,199 lakhs as Provision for Standard Assets which it is not an allowable expenditure. Therefore, TDFC Ltd. has voluntarily offered the above sum to be included in the total income and paid the tax due to avoid any possible penalty proceedings. Even then, the Income-tax Department has issued Show Cause Notice for penalty dt.31.03.2023 under section 270A of the Income-tax Act 1961 for the Assessment year 2020-21. TDFC Ltd. has filed an appeal against this penalty proceedings dt.27.04.2023.
- Further Show Cause Notice DIN & Notice No. ITBA/REV/F/Rev1/2024-25 1073620960(1) Dt. 24.02.2025 was issued disallowing the Leave Salary and CSR Expenditure. TDFC has filed reply to this and Revision Order No.DIN & Order No. ITBA/REV/F/REV5/2024-25/1074641443(1) dt. 18.03.2025 has been issued as allowing leave salary expenditure and disallowing CSR expenditure of Rs.20.58 lakhs in computation of total income. TDFC has filed an appeal against this order.
- For AY 2022-23 the Income –tax assessment has been completed and TDFC is eligible for a refund of Rs.214.01 lakhs and excess of provision for taxation has to be withdrawn for Rs.602.27 lakhs. However, IT department has not refunded Rs.214.01 lakhs but adjusted for the dispute in AY 2020-21. Adjustments were made in the books of accounts for the excess provision and refund receivables in the financial year 2024-25.
- A TDS Survey u/s 133A (2a) was conducted in the premises of M/s. TNTDFC on 08.01.2024 and the same was concluded on 09.01.2024. The TDS survey covered for period from FY 2016-17 to FY 2022-23. Later, the Income Tax department has issued show cause notice dated 12.01.2024 as to why the assessed deductor should not be treated as assessee in default for non-deduction of tax for the specified entities mentioned in the notice covering FY 2016-17 to FY 2023-24. TNTDFC has filed its submission in response to the show cause notice. The Income Tax department has passed an order under Section 201/201(1A) of the Income Tax Act covering the FY 2016-17 to 2022-23 for total tax payable including interest amounting to Rs. 193,45,02,127/-. The breakup is as follows:

FY	Tax (Rs)	Interest (Rs)	Total (Rs)
2016-17	9,26,48,351	8,89,42,417	18,15,90,768
2017-18	13,41,40,407	11,26,77,942	24,68,18,349
2018-19	17,99,05,132	12,95,31,695	30,94,36,827
2019-20	18,89,20,271	11,33,52,162	30,22,72,433
2020-21	15,31,79,515	7,35,26,167	22,67,05,682
2021-22	22,85,88,717	8,22,91,938	31,08,80,655
2022-23	28,77,39,849	6,90,57,564	35,67,97,413
Total	1,26,51,22,242	66,93,79,885	1,93,45,02,127

Further, The Company has filed a rectification application for apparent mistake on record against the order under Section 154 of the Income tax Act. Based on which partial modification order was issued as follows:

FY	Tax (Rs)	Interest (Rs)	Total (Rs)
2016-17	9,25,61,284	8,88,58,837	18,14,20,126
2017-18	12,52,64,031	11,02,56,520	23,55,20,551
2018-19	17,96,13,124	12,93,21,449	30,89,34,573
2019-20	18,83,25,560	11,29,95,336	30,13,20,896
2020-21	15,26,49,224	7,32,71,627	22,59,20,851
2021-22	22,75,97,576	8,19,35,127	30,95,32,703
2022-23	28,65,98,217	6,87,83,572	35,53,81,789
Total	1,25,26,09,021	66,54,22,468	1,91,80,31,489

Further from 2018-19 to 2022-23 form 26A have been filed for Rs.241.51 crores. The order is awaited.

The company has filed a writ petition with the Madras high court against the TDS order and court has given stay of demand and directed to remit as deposit of Rs. 15 crores. The company has remitted the said amount on 15th July 2024. Faceless appeal has been filed before the Commissioner for TDS issue as ordered by High Court. The amount is included in the advance tax head.

For the Assessment year 2024-25 the Income –tax assessment has been completed and TDFC is eligible for a refund of Rs. 16.42 lakhs and excess of provision for taxation has to be withdrawn for Rs. 3.13 lakhs. However, IT department has not refunded Rs 16.42 lakhs but adjusted for the dispute in AY 2020-21. Adjustments were made in the books of accounts for the excess provision and refund receivables in the financial year 2024-25.

- 6.2** The deposits remaining unclaimed for more than 7 years warranting transfer of amount to Investor Education and Protection Fund (IEPF) as on 31.03.2025 is Rs.85.31 lakhs (Previous year Rs.84.86 lakhs) out of which the company has proposed to transfer Rs. 29.87 lakhs to IEPF for the year 2024-25 and Rs.11.08 lakhs for the year 2023-24, and Rs.28.58 lakhs pending under legal proceedings and Rs.15.78 lakhs under correspondence for refund.
- 6.3** The interest on un-renewed portion of deposits of Rs.292.11 lakhs (Previous Year 31st March 2024 – Rs.296.00 lakhs) under GCPS as on 31st March 2025 has been provided for Rs. Nil (Previous Year 31st March 2024 Rs. Nil).
- 6.4** There is a difference of Rs.9.99 lakhs between the control ledger and the subsidiary ledger as on 31st March 2025.

For and on behalf of the Board

V.Venkatarajan
Chief Executive Officer

Pooja Kulkarni I.A.S.,
Managing Director (DIN:02783673)

Pratik Tayal I.A.S.,
Director (DIN:09422959)

As per our report attached

For Vivekanandan Associates
Chartered Accountants (Firm Regn. No. 005268S)
Partner : CA.Vivekanandan
Membership No. 027204
UDIN : 25027204BMMHRV8907

For A Ambalatharasan Associates
Chartered Accountants (Firm Regn. No. 008500S)
Partner : CA. A.Ambalatharasan
Membership No. 026508
UDIN : 25026508BNGCQL5765

Place : Chennai
Date : 14.08.2025

Note 7: Cash and Cash Equivalents**(Rupees in Lakhs)**

Sl.No.	Particulars	As at 31st March 2025	As at 31st March 2024
(i)	Balance with Banks (of the nature of Cash and Cash Equivalents)		
	– In Current Accounts	1,77,290.75	1,25,317.87
	– Personal Deposit account with RBI	24,798.06	63,448.82
	Total Cash and Cash Equivalents	2,02,088.81	1,88,766.69
There are no repatriation restrictions with respect to Cash and Cash equivalents at the end of the reporting periods presented above.			

Note 8: Bank Balance other than included in Cash and Cash Equivalents**(Rupees in Lakhs)**

Sl.No.	Particulars	As at 31st March 2024	As at 31st March 2023
(i)	SBI Online/ Offline transaction Account	289.44	33.76
	Total Bank Balance other than included in Cash and Cash Equivalents	289.44	33.76

Main Schedule**Note 9: Loans****(Rupees in Lakhs)**

Particulars	As at 31st March 2025		As at 31st March 2024	
	Amortised Cost	Total	Amortised Cost	Total
(A) Loans (At Amortised Cost)				
i) Term Loans	2,005,129.20	2,005,129.20	18,20,720.24	18,20,720.24
ii) Working Capital Loan	-	-	(0.00)	(0.00)
iii) Loan on Deposits and Other Advances	671.30	671.30	2,379.02	2,379.02
iv) Unamortised Transaction Cost	-	-	-	-
Total (A) - Gross	2,005,800.50	2,005,800.50	1,823,099.26	1,823,099.26
Less: Impairment Loss Allowance	-	-	-	-
Total (A) – Net	2,005,800.50	2,005,800.50	1,823,099.26	1,823,099.26
(B)				
i) Secured by Tangible	891,807.85	891,807.85	539,101.56	539,101.56
ii) Unsecured	1,113,992.65	1,113,992.65	1,283,997.70	1,283,997.70
Total (B) – Gross	2,005,800.50	2,005,800.50	1,823,099.26	1,823,099.26
Less: Impairment Loss Allowance	-	-	-	-
Total (B) – Net	2,005,800.50	2,005,800.50	1,823,099.26	1,823,099.26
(C)				
i) Public Sector	2,005,129.20	2,005,129.20	1,820,720.24	1,820,720.24
ii) Others	671.30	671.30	2,379.02	2,379.02
Total (C) – Gross	2,005,800.50	2,005,800.50	1,823,099.26	1,823,099.26
Less: expected credit loss	8,027.45	8,027.45	7,342.45	7,342.45
Total (C) – Net	1,997,773.05	1,997,773.05	1,815,756.82	1,815,756.82

All the Loans are measured 'At Amortized Cost' only. No other measurements have been followed.

Main Schedule Note 10: Investments**(Rupees in Lakhs)**

Particulars	As at 31st March 2025				As at 31st March 2024			
	Amortised Cost (1)	At Fair value through OCI (2)	At Fair value through profit or loss (3)	Total (1+2+3)	Amortised Cost (1)	At Fair value through OCI (2)	At Fair value through profit or loss (3)	Total (1+2+3)
i) Government Securities	65,195.00	-	-	65,195.00	66,850.07	-	-	66,850.07
ii) Bonds	-	-	-	-	1,134.30	-	-	1,134.30
Total Gross (A)	65,195.00	-	-	65,195.00	67,984.37	-	-	67,984.37
Geography wise investment								
i) Investments outside India	-	-	-	-	-	-	-	-
ii) Investments in India	65,195.00	-	-	65,195.00	67,984.37	-	-	67,984.37
Gross Geography wise Investment (B)	65,195.00	-	-	65,195.00	67,984.37	-	-	67,984.37
Less: Allowance for Impairment Loss (C)	-	-	-	-	-	-	-	-
Interest accrued	1,288.83			1,288.83				
Premium on investments	255.53			255.53				
Net Geography wise investment (B-C)	66,739.36	-	-	66,739.36	67,984.37	-	-	67,984.37

All the investments are measured 'At Amortised Cost' only. No other measurements have been followed.

Note 11: Other Financial Assets**(Rupees in Lakhs)**

Particulars	As at 31st March 2025	As at 31st March 2024
Security Deposits	7.29	7.25
Amount receivable from others	498.33	5.05
Loans to employees	1.67	14.51
Interest accrued but not due on Sweep account	2.99	-
Interest receivable on PD account with RBI	2,637.99	1,798.06
Total	3,148.27	1,824.88

Note 12: Current Tax Assets**(Rupees in Lakhs)**

Particulars	As at 31st March 2025	As at 31st March 2024
Advance Income Tax	2,851.55	4,857.92
Total	2,851.55	4,857.92

Note 13: Deferred Tax Assets

(Rupees in Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Deferred Tax Assets (Net)	2.89	2.52
Total	(2.89)	(2.52)

Note 14: Property, Plant & Equipment

(Rupees in Lakhs)

Particulars	Furniture & Fittings	Office Equipments	Computers	Computers Server & Network	Vehicles	Electrical Fittings	Total	Computer Software	Grand Total
Depreciation Rates as per the Companies Act, 2013	25.89%	45.07%	63.16%	39.30%	25.89%	25.89%			
Gross Block									
As at March 31, 2023	2.06	11.23	6.09	-	27.81	-	47.19	0.50	47.69
Additions	0.12	1.57	2.88	2.69	-	-	4.57	-	-
Disposals	-	0.78			-	-	0.78	-	-
Adjustments	-	-	-	2.69	-	-	-	-	-
As at March 31, 2024	2.18	12.02	8.97		27.81	-	53.67	0.50	54.17
Additions	0.41	0.46	6.92				7.79	-	-
Disposals	-				2.58		2.58	-	-
Adjustments	-	-	-				-	-	-
As at March 31, 2025	2.59	12.48	15.89	2.69	25.23	-	58.88	0.50	59.38
Accumulated Depreciation and Impairment									
As at March 31, 2023	1.30	5.23	2.99		19.42	-	28.94	-	-
Charge for the year	0.21	3.27	3.52	0.88	2.17	-	10.05	-	-
Disposals	-	0.75			-	-	0.75	-	-
Adjustment	-	-	-		-	-	-	-	-
As at March 31, 2024	1.51	7.75	6.51	0.88	21.59	-	38.24	-	-
Charge for the year	0.22	2.09	3.13	0.71	1.31	-	7.46	-	-
Disposals					0.50	-	0.50	-	-
Adjustment	-	-	-		-	-	-	-	-
As at March 31, 2025	1.73	9.84	9.64	1.59	22.40	-	45.20	-	-
Net Carrying value as at March 31, 2024	0.67	4.27	2.96	1.81	6.22	-	15.93	0.50	16.43
Net Carrying value as at March 31, 2025	0.86	2.64	6.25	1.10	2.83	-	13.68	0.50	14.18

Note 15: Other Non Financial Assets**(Rupees in Lakhs)**

Particulars	As at 31st March 2025	As at 31st March 2024
Net value of Plan Assets for Gratuity Fund*	-3.93	-4.24
TDS on MMS recoverable	2,601.75	1,924.59
Prepaid Expenses	0.96	0.64
Total	2,598.78	1,920.99

Net value of Plan Assets for Gratuity Fund*

Plan Assets	25.60	21.61
Less: Plan Liability	29.53	25.86

Plan Assets/(Obligation)

	-3.93	-4.24
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Note 16: Borrowings**(Rupees in Lakhs)**

Particulars	As at 31st March 2025	As at 31st March 2024
(A) Other Loans from Banks		
(i) Working capital demand loan/overdraft/cash credit/Line of credit (Refer Note 16.1)	587,510.71	596,661.68
(ii) Unamortised Transaction cost on above	-	-
(iii) Interest on bank loan payable	210.82	-
Total Borrowing (Other than Debt Securities)	587,721.54	596,661.68
Geography wise Borrowings		
(i) Borrowings in India	587,721.54	596,661.68
(ii) Borrowings outside India	-	-
Total Geography wise Borrowings	587,721.54	596,661.68

The Company has categorised Borrowings (Other than Debt Securities) at Amortised cost in accordance with requirements of Ind As 109.

16.1: Details of borrowings are as follows:**(Rupees in Lakhs)**

Name of Bank	As at 31st March 2025	As at 31st March 2024
LOAN FROM BANK (SBI)	467,809.00	Loan from SBI
WC LOAN FROM BANK (SBI)	19,701.71	WC Loan from SBI
LOAN OF CREDIT (IOB)	-	IOB
CANARA BANK	100,000.00	Loan from Bank (BOB)
Total	587,510.71	596,661.68

16.2: Details of Secured and Unsecured WCDL/OD/CC/Line of Credit SANCTIONED as follows**

Name of Bank	Coupon Rate (p.a.)	Sanctioned limit (Rs. in lakhs)		Actual availed on 31.03.2025	Date of Redemption	Redemption Details	Security
		31.03.2025	31.03.2024				
State Bank of India	8.85%	22500.00	22500.00	19701.71	8/23/2025	Every year renewal	Exclusive First charges by way of hypothecation charge on the Receivables (Margin: 25%) along with Guarantee by State Government of Tamilnadu
State Bank of India	7.35%	90000.00	90000.00	90000.00	8/23/2025	Every year renewal	Exclusive First charges by way of hypothecation charge on the Receivables (Margin: 25%) along with Guarantee by State Government of Tamilnadu
State Bank of India	7.15%	22309.00	22309.00	22309.00	8/23/2025	Every year renewal	Exclusive First charges by way of hypothecation charge on the Receivables (Margin: 25%) along with Guarantee by State Government of Tamilnadu
State Bank of India	8.15%	145500.00	145500.00	145500.00	2/26/2026	Bullet Repayment at the end of the tenor	Exclusive First charges by way of hypothecation charge on the Receivables (Margin: 25%) along with Guarantee by State Government of Tamilnadu
State Bank of India	8.20%	150000.00	150000.00	150000.00	9/16/2025	Bullet Repayment at the end of the tenor	Exclusive First charges by way of hypothecation charge on the Receivables (Margin: 25%) along with Guarantee by State Government of Tamilnadu
State Bank of India	6.74%	60000.00	60000.00	60000.00	5/30/2026	Bullet Repayment at the end of the tenor	Exclusive First charges by way of hypothecation charge on the Receivables (Margin: 25%) along with Guarantee by State Government of Tamilnadu
Canara Bank	8.55%	100000.00	100000.00	100000.00	12/22/2025	Bullet Repayment at the end of the tenor	Exclusive First charges by way of hypothecation charge on the Receivables (Margin: 25%) along with Guarantee by State Government of Tamilnadu
State Bank of India	8.50%		9000.00		9/30/2024	Closed on Aug'2024	Unsecured
Indian Overseas Bank	8.40%		50000.00		12/31/2025	Line of credit	Unsecured
Total		590309.00	653209.00	587510.71			

**Schedule 16.2 above indicates the Total Sanctioned Amount as on 31-03-2024 & 31-03-2025

Note: (i) None of the borrowings have been guaranteed by Directors.

(ii) There has been no default in repayment of borrowings and interest during the FY 2024-25.

(iii) The above borrowings are guaranteed by Government of Tamilnadu except Rs.500.00 crores (Line of Credit) borrowed from Indian Overseas Bank.

Note 17: Deposits**(Rupees in Lakhs)**

Particulars	As at 31st March 2025		As at 31st March 2024	
	Amortised cost	Total	Amortised cost	Total
i. Public Deposits	288,120.24	288,120.24	364,059.82	364,059.82
ii. From others	754,951.74	754,951.74	602,860.36	602,860.36
Total	1,043,071.98	1,043,071.98	966,920.18	966,920.18
<i>Interest accrued but not due on deposits</i>	67,421.38	67,421.38	59,736.40	59,736.40
<i>Interest accrued and due on deposits</i>	3,257.47	3,257.47	3,343.97	3,343.97
Total	1,113,750.84	1,113,750.84	1,030,000.55	1,030,000.55

All the Deposits are measured at Amortised cost only. No other measurements have been followed.

Note 17: Deposits**(Rupees in Lakhs)**

Particulars	As at 31st March 2025	As at 31st March 2024
I Public Deposits		
Fixed Deposits - Long Term	187,609.00	204,187.24
Fixed Deposits - Short Term	100,511.24	159,872.58
Fixed Deposits - GCPS		
	-	-
Total	288,120.24	364,059.82
ii) From Others		
Fixed Deposits - Long Term	328,244.26	374,076.10
Fixed Deposits - Short Term	425,328.96	227,686.54
Fixed Deposits - GCPS	1,067.28	1,097.72
Others - Deposits	301.22	-
Total	754,951.74	602,860.36

Note 18: Other Financial Liabilities

Particulars	(Rupees in Lakhs)	
	As at 31st March 2025	As at 31st March 2024
Payable others	38.09	-
Amount payable to Employees	25.19	13.83
Other Liabilities	451.72	632.59
Guarantee Commission payable	1,423.66	1,297.09
Total	1,938.66	1,943.50

The Company has categorised Other Financial Liabilities at amortised cost in accordance with the requirements of Ind As 109.

Note 19: Current Tax Liabilities

Particulars	(Rupees in Lakhs)	
	As at 31st March 2025	As at 31st March 2024
Provision for Taxation	1,807.13	5,452.72
Total	1,807.13	5,452.72

Note 20: Provisions

Particulars	(Rupees in Lakhs)	
	As at 31st March 2025	As at 31st March 2024
i) For Employee benefits		
– Gratuity payable	3.64	-
– Leave Salary payable	25.76	15.66
Total	29.40	15.66

Note 21: Other Non Financial Liabilities

(Rupees in Lakhs)			
Particulars	As at 31st March 2025	As at 31st March 2024	
i) Statutory dues payable	3,191.70	3,247.33	
ii) Other Advances			
Government Assistance to STU's	27,257.64	13,654.91	
Ways & Means advances repayable to STUs	1,845.87	1,845.87	
Share capital / Loan Assistance to STUs by Govt.	144,008.38	75,990.70	
Auto Finance Subsidy from Govt. Repayable	80.70	64.16	
InNURM Fund repayable to STUs	1.24	1.24	
KFW Fund repayable to KFW Project	15,669.33	15,468.57	
iii) Others	0.38	3.40	
Total	192,055.24	1,10,276.17	

Note 22: Equity Share Capital

Share Capital			
Particulars	As at 31st March 2025	As at 31st March 2024	
	Number	Number	Rs. in lakhs
Authorised:			
Equity Shares of Rs. 10/ each	4,500,000,000	3,500,000,000	350,000.00
	4,500,000,000	3,500,000,000	350,000.00
Issued, Subscribed & Paid up			
Equity Shares of Rs. 10/- each	3,487,027,258	3,114,963,858	-
	3,487,027,258	3,114,963,858	-
a) Reconciliation of Number of Shares outstanding			
Equity Shares			
Number of Equity Shares at the beginning of the year	3,114,963,858	3,000,000,000	300,000.00
Equity Shares issued during the year	372,063,400	114,963,858	11,496.39
Less: Shares bought back during the year	-	-	-
Number of Shares at the end of the year	3,487,027,258	3,114,963,858	311,496.39

b) Terms and Rights attached to Equity Shares:

1. During the year under review, 37,20,63,400 Equity Shares of Rs.10/-each issued at par under rights issue. The company has only one class of Equity share having a par value of Rs. 10/- per share. Each holder of Equity share is entitled to one vote per share.
 2. Dividend @ 0.1605% of the share capital has been recognised as distribution to the equity shareholders for the year ended 31st March 2024 (31st March 2023: 0.0604%).
 3. An interim Dividend of 7.61% on estimated profit of Rs.5253.00 Lakhs has been recognised which is 0.1147% on paid up share capital. The amount worked out to Rs.4 crs.
 4. The Dividend proposed by the board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting.
 5. In event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts.
 6. The distribution shall be in proportion to the equity shares held by the company.
 7. There is an increase in Authorised share capital from Rs.3500 crs to Rs.4500 crs.
- c) Shares held by holding/ultimate holding company and / or their subsidiaries/associates. The company does not have holding/ultimate holding company and subsidiaries/associates.
- d) There are no shares reserve for issue under options or contracts/ commitments for the sale of shares/disinvestments at 31st March 2025
- e) The company has neither allotted any shares as fully paid up pursuant to contracts without payments being received in cash or by way of bonus shares nor bought back any shares for the period of five years immediately preceeding 31st March 2025.
- f) The company does not have any securities convertible into equity shares at 31st March 2025.

g)

Details of shareholders holding more than 5% of the Shares in the Company	31st March 2025		31st March 2024	
	No. of Shares held	% Holding	No. of Shares held	% Holding
Government of Tamilnadu	3,487,027,258	100.00%	3,114,963,858	100.00%

Equity Shares issued during the year	No. of Shares Addition	Issue Date	No. of Shares Addition	Issue Date
Addition 1	372,063,400	26.11.2024	114,963,858	31.03.2023
	-	-	-	-
Total Addition	372,063,400		114,963,858	
Opening	3,114,963,858		3,000,000,000	
Addition 1	372,063,400		114,963,858	
Addition 2	-		-	
Weighted Average No.of Shares (in Lakhs)	34,870		30,000	
Profit for the year	4,656.21		2,920.45	
EPS	0.13		0.10	

Note 23: Other Equity

(Rupees in Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
A. Special Reserve		
Opening Balance	5,954.92	5,231.95
Add : Amount transferred from Surplus balance in Statement of Profit & Loss Account	931.24	596.58
Addition due to IT Provision Reversal		126.39
Closing Balance	6,886.16	5,954.92
B. General Reserve		
Opening Balance	2,199.62	1,928.51
Add : Amount transferred from Surplus balance in Statement of Profit & Loss Account	349.22	223.72
Addition due to IT Provision Reversal		47.39
Closing Balance	2,548.84	2,199.62
C. Surplus		
Opening Balance	17,143.23	15,119.60
Profit for the year	4,656.21	2,982.90
Add : Due to IT Provision Reversal / Gratuity OCI		459.73
Less: Appropriations	-	-
Equity Dividend paid	482.47	598.69
Tax on Equity Dividend	-	-
Amount spent for CSR	-	-
Transfer to Special Reserve	931.24	596.58
Transfer to General Reserve	349.22	223.72
Total Appropriations	1,762.93	1,418.99
Changes in accounting policy or prior period errors		
Closing Balance	20,036.51	17,143.23
D. Share Application Money Pending Allotment		
Opening Balance	-	-
Monies Received during the year	-	-
Closing Balance	-	-
E. Other Comprehensive Income		
Opening Balance	19.91	9.73
Actuarial Gain/(Loss) on Gratuity & Leave salary	3.61	10.18
Gain on change in Fair value of Govt. Securities	-	-
Closing Balance	23.52	19.91
Total Reserves and Surplus	29,495.03	25,317.68

Note 24: Revenue from Operations – Interest Income**(Rupees in Lakhs)**

Particulars	For the year ended 31st March 2025			For the year ended 31st March 2024		
	On Financial Assets measured at fair value through OCI (1)	On Financial Assets measured at Amortised cost (2)	Total (1+2)	On Financial Assets measured at fair value through OCI (1)	On Financial Assets measured at Amortised cost (2)	Total (1+2)
Interest Earned on Loans						
(i) Interest Earned on Loans	-	88,256.67	88,256.67	-	78,421.10	78,421.10
(ii) Interest Earned on Hypothecation Loans	-	2,357.65	2,357.65	-	2,020.85	2,020.85
(iii) Interest earned on Bank Loan Lendings	-	40,153.79	40,153.79	-	36,011.86	36,011.86
Interest Earned on Investments	-	4,889.91	4,889.91	-	4,731.54	4,731.54
Interest Earned on Public Deposits Account	-	2,637.99	2,637.99	-	1,798.06	1,798.06
Interest Earned on Loan to Deposits	-	53.87	53.87	-	44.68	44.68
Total		138,349.88	138,349.88		123,028.08	123,028.08

Note 25: Other Income**(Rupees in Lakhs)**

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Miscellaneous Income	8.44	0.74
Total	8.44	0.74

Note 26: Finance Costs**(Rupees in Lakhs)**

Particulars	For the year ended 31st March 2025			For the year ended 31st March 2024		
	On Financial Assets measured at fair value through OCI (1)	On Financial Assets measured at amortised cost (2)	Total (1+2)	On Financial Assets measured at fair value through OCI (1)	On Financial Assets measured at amortised cost (2)	Total (1+2)
Interest on Deposits	-	82,921.07	82,921.07	-	77,754.54	77,754.54
Interest on Loan from Banks	-	45,060.13	45,060.13	-	37,127.50	37,127.50
Processing Fees and Guarantee Commission	-	2,915.77	2,915.77	-	2,546.06	2,546.06
Total	-	130,896.97	130,896.97	-	117,428.10	117,428.10

Note 27: Fees and Commission expense**(Rupees in Lakhs)**

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Filing Fees	2.32	0.50
Credit Rating fees	9.86	9.86
Sitting fees	1.45	2.05
Total	13.63	12.41

Note 28: Employee Benefit Expense

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Salaries and Wages	224.16	244.27
Staff Welfare Expenses	7.40	7.26
Contribution to Provident and Other Funds	15.75	16.74
EDLI	0.03	0.03
Gratuity	16.51	7.81
Total	263.85	276.11

Note 29: Other Expenses

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Estimated credit Loss	685.00	760.15
Postage	6.81	6.32
Bank Charges	0.43	0.32
Advertisement and Publicity	5.27	10.40
Printing & Stationery	7.65	8.85
Rent	70.89	36.37
Telephone Charges	1.66	1.40
Security Charges	15.06	8.53
Travelling & Conveyance	0.51	0.28
Vehicle Maintenance & Fuel Charges	4.09	2.92
Repairs and Renewals	4.44	9.42
Office Expenses	8.14	7.11
Electricity Charges	4.92	4.67
Insurance Charges	0.25	0.32
Books & Periodicals	0.20	0.14
Board Meeting Expenses	1.01	1.30
Legal Expenses	33.63	0.39
Audit Fees Statutory Audit	1.19	1.18
Audit Fees Tax Audit	0.24	0.24
Other Professional Fees	29.39	7.14
Misc Expenses	0.00	0.14
CSR Expenditure	101.06	103.01
Amortisation of investments	140.66	-
Total	1,122.50	970.60

Note 30: Other Comprehensive Income

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Actuarial Gain/(Loss) on Leave Salary	-7.14	12.77
Actuarial Gain/(Loss) on Plan Asset	-	-
Actuarial Gain/(Loss) on Obligation	3.53	-2.59
Total	-3.61	10.18

SCHEDULE TO THE BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY

(As required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms
(Reserve Bank) Directions, 1998)

PARTICULARS AS ON 31st MARCH 2025

Liabilities side

(Rs. in lakhs)

(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid.

	Amount outstanding	Amount overdue
a) Debentures: Secured	—	—
Unsecured	—	—
(Other than falling within the meaning of public deposits)		
b) Deferred credits	—	—
c) Term Loan- From banks	587,721.54	—
From Govt.	—	—
From LIC	—	—
d) Inter-Corporate Loans and borrowings	—	—
e) Commercial paper	—	—
f) Public deposits	355,752.22	—
g) Other loans (Specific nature)	—	—
Other deposits (exempted deposits)	687,038.58	—
Interest accrued on deposits	70,678.85	—
Interest accrued on Loans	—	—

(2) Break up of (1)(f) above

(Outstanding public deposits inclusive of interest accrued thereon but not paid)

a) In the form of unsecured debentures	—	—
b) In the form of partly secured debentures i.e., debentures where there is shortfall in the value of security	—	—
c) Other public deposits	355,752.22	—

Assets Side:

(3) Break up of Loans and Advances including bills receivable (other than those included in (4) Below:

a) Secured	824,303.00	—
b) Unsecured	1,114,663.95	—

(4) Break up of leased assets and stock on hire and hypothecation loans counting towards EL/HP activities

i) Lease Assets including lease rentals under sundry debtors		
a) Finance Lease	—	—
b) Operating Lease	—	—
ii) Stock on hire including hire charges under sundry debtors		
a) Assets on hire - HP to STU's and Transport Department:	66,833.55	—
b) Repossessed Assets	—	—
iii) Hypothecation loans counting towards EL/HP activities - LIC loan:		
a) Loans where assets have been repossessed	—	—
b) Loans other than (a) above	—	—

(5) Break up of Investments

Current Investments:

1. Quoted	—	—
2. Unquoted	—	—

(Rs. in lakhs)

Long Term Investments

1. Quoted

i) Shares (a) Equity (b) Preference	—	—
ii) Debentures and Bonds	—	—
iii) Units and mutual funds	—	—
iv) Government securities (SLR Investments)	65,195.00	—
v) Others (Please specify)	—	—

2. Unquoted (Public sector undertakings bonds guaranteed by Govt. of Tamilnadu)

— —

(6) Borrowers groupwise classification all leased assets stock-on-hire and loans and advances:

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties:			
a) Subsidiaries	—	—	—
b) Companies in the same group	—	—	—
c) Other related parties	—	—	—
2. Other than Related Parties	891,136.55	1,114,663.95	2,005,800.50
Total	891,136.55	1,114,663.95	2,005,800.50

(7) Investors groupwise classification of all investments

(Current and Long Term) in shares and securities (both quoted and unquoted)

Sl.No.	Category	Market Value / breakup or fair value or NAV	Book Value (net of provisions)
1	Related Parties		
a.	Subsidiaries	—	—
b.	Companies in the same group	—	—
c.	Other related parties	—	—
2	Other than related parties	—	65,195.00
Total		0.00	65,195.00

(8) Other Information:

Particulars	Amount
i) Gross Non-Performing Assets	
a) Related Parties	—
b) Other than related parties	—
ii) Net Non-Performing Assets	
a) Related parties	—
b) Other than related parties	—
iii) Assets acquired in satisfaction of debt	—

For and on behalf of the Board

V.Venkatarajan
Chief Executive Officer

Pooja Kulkarni I.A.S.,
Managing Director
(DIN:02783673)

Pratik Tayal I.A.S.,
Director (DIN:09422959)

As per our report attached

For Vivekanandan Associates
Chartered Accountants
(Firm Regn. No. 005268S)
Partner : CA.Vivekanandan
Membership No. 027204
UDIN : 25027204BMMHRV8907

For A Ambalatharasan Associates
Chartered Accountants
(Firm Regn. No. 008500S)
Partner : CA. A.Ambalatharasan
Membership No. 026508
UDIN : 25026508BNGCQL5765

Place : Chennai

Date : 14.08.2025