HINDUJA LEYLAND FINANCE

Lending... a helping hand

ANNUAL REPORT | 2019 - 2020

BOARD OF DIRECTORS

Mr. Dheeraj G Hinduja, *Chairman and Non–Executive Director*
Mr. S. Nagarajan, *Executive Vice Chairman*
Mr. Sachin Pillai, *Managing Director and Chief Executive Officer*
Mr. Gopal Mahadevan, *Non-Executive Director*
Mr. Sudhanshu Kumar Tripathi, *Non-Executive Director*
Mr. Radhey Shyam Sharma, *Independent Director*
Ms. Manju Agarwal, *Independent Director*
Mr. Debabrata Sarkar, *Independent Director*
Prof. Dr. Andreas H Biagosch, *Independent Director*
Mr. G S Sundararajan, *Independent Director*

KEY MANAGERIAL PERSONNEL

Mr. S. Nagarajan, *Executive Vice Chairman*
Mr. Sachin Pillai, *Managing Director and Chief Executive Officer*
Mr. Kishore Kumar Lodha, *Chief Financial Officer*
Mr. B Shanmugasundaram, *Company Secretary*

REGISTERED OFFICE

No.1, Sardar Patel Road, Guindy,
Chennai – 600 032.

CORPORATE IDENTITY NUMBER

U65993TN2008PLC069837

CORPORATE OFFICE

No.27A, Developed Industrial Estate, Guindy,
Chennai – 600 032.

EMAIL & WEBSITE

compliance@hindujaleylandfinance.com
www.hindujaleylandfinance.com

STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells
Chartered Accountants
Prestige Trade Tower, Level 19, 46, Palace Road,
High Grounds, Bengaluru – 560 001.

SECRETARIAL AUDITORS

M/s. G Ramachandran & Associates
Company Secretaries
F-10, Syndicate Residency,
No. 3, Dr. Thomas First Street,
T Nagar, Chennai - 600 017.

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R.Kamani Marg, Ballard Estate,
Mumbai - 400 001.

BANKERS

Allahabad Bank
Axis Bank
Bank of Baroda
Bank of Maharashtra
Canara Bank
Central Bank of India
Citibank
CTBC Bank
DCB Bank
Deutsche Bank
Federal Bank
HDFC Bank
ICICI Bank Limited
Indian Bank
Karnataka Bank
Kotak Mahindra Bank
Oriental Bank of Commerce
Punjab National Bank
South Indian Bank
Standard Chartered Bank
State Bank of India
UCO Bank
Union Bank of India

TABLE OF CONTENTS

		PAGE
1.	**Board's Report**	**3**
2.	**Standalone Financial Statements**	
	Independent Auditors' Report	50
	Balance Sheet	62
	Statement of Profit and Loss	63
	Cash Flow Statement	64
	Notes to the Financial Statements	67
3.	**Consolidated Financial Statements**	
	Independent Auditors' Report	151
	Consolidated Balance Sheet	160
	Consolidated Statement of Profit and Loss	161
	Consolidated Cash Flow Statement	162
	Notes to Consolidated Financial Statements	165

BOARD'S REPORT

Your Directors have pleasure in presenting the Twelfth Annual Report of the Company, together with the audited financial statements of the Company, for the year ended 31st March, 2020:

Financial Results

INR in Crores

Particulars	2019-20 IND AS	2018-19 IND AS
Revenue from Operations	2,927.48	2,560.64
Less: Total Expenditure	2,488.45	2,137.79
Profit before exceptional items and tax	439.03	422.85
Exceptional Items	-	-
Profit Before Tax	439.03	422.85
Profit After Tax	291.98	275.64
Surplus / Shortfall brought forward	828.20	607.69
Amount available for appropriation	1,120.17	883.33
Appropriations have been made as under:		
Transfer to: - Statutory Reserve	58.39	55.13

Company Performance

Your Company's net profit grew by 6% at Rs 292 Crores over the previous year at Rs 276 Crores and net worth of the Company stood at Rs 3,246 Crores as of 31st March, 2020. Assets under management were at Rs 26,451 Crores as against Rs 25,417 Crores in FY 2018-19, registering a growth of 4%. During the year, your Company registered disbursements of Rs 13,565 Crores (Previous year at Rs 15,321 Crores). Standard assets constituted 95.6% of the total assets under management. Non-performing assets after provisioning stood at 2.6%.

Your company has presence in 21 states and 3 union territories covering over 1,550 locations.

Resource Mobilization

Total Borrowings

Your Company's overall borrowings as on 31st March, 2020 was Rs 16,987 Crores as against Rs 17,007 Crores as of 31st March, 2019.

Term Loans

During the year, your Company availed term loan facilities of Rs 6,265 Crores (gross) and Rs 2,124 Crores (net) from banks.

Non-Convertible Debentures

Your Company has not issued Non-Convertible Debentures (NCDs) during the year. Your Company's NCDs have been listed on Wholesale Debt Market segment of BSE Limited. These NCDs have been rated as AA- by CRISIL and CARE as of 31st March, 2020.

Commercial Paper

During the year, your Company raised Rs. 4,525 Crores of Commercial Papers (CPs). All the CPs were assigned A1+ by CRISIL and CARE and there are no outstanding CPs as of 31st March, 2020. During the year the Company had listed its Commercial Papers with BSE Limited pursuant to Securities and Exchange Board of India Circular dated 22nd October, 2019.

Subordinated Debt

During the year, your Company did not raise any amount through issue of long-term unsecured non-convertible subordinated debentures.

Capital Adequacy Ratio

Capital adequacy ratio was at 17.25% as at 31st March, 2020, as against statutory requirement of 15% for non-deposit accepting NBFCs.

Credit Ratings

Facility	Rating
Long term bank facilities	CARE AA- (Stable) / CRISIL AA- (Stable)
Non-convertible debentures	CARE AA- (Stable) / CRISIL AA- (Stable)
Commercial paper	CARE A1+ / CRISIL A1+
Subordinated debt	CARE AA-(Stable) / CRISIL AA-(Stable) / India Ratings AA-(Stable)

Share Capital

During the year under review, your Company had allotted 81,500 equity shares under Employee Stock Option Scheme. Further, the Company has not allotted shares by way of rights or by way of any other offer during the year under review.

Dividend

In order to augment capital required for supporting the growth of the Company, through retention of internal accruals, your Board of Directors has not recommended any dividend for the year.

Transfer to Statutory Reserves

During the year, Rs 58.39 Crores were transferred to the Statutory Reserve created under Section 45-IC of the Reserve Bank of India Act, 1934.

Deposits

Your Company is a Systemically Important Non-Deposit taking Non-Banking Finance Company (NBFC-ND-SI) and has not accepted any deposits during the year under review. The Board has also passed a resolution for non-acceptance of deposits from public.

Investment and Credit Company

In terms of the Reserve Bank of India notification no. RBI/2018-19/130 DNBR (PD) CC.No.097/03.10.001/2018-19 dated 22nd February, 2019 the company is categorized as Investment and Credit Company.

Consolidated Financial Statements

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 (“the Act”), the Consolidated Financial Statements, drawn up in accordance with the applicable Accounting Standards, form part of this Report.

Subsidiary of Ashok Leyland Limited

Your Company is a subsidiary of Ashok Leyland Limited and the financial statements of the Company are consolidated with that of the holding company.

Performance of Subsidiary and Associate Company

A report on the performance of the subsidiary and associate company including the features of the financial statements of the subsidiary and associate company in Form AOC-I is attached and forms part of this Report (Annexure A).

Corporate Governance

Your Company has framed an internal Corporate Governance guideline, in compliance with the Directions issued by RBI for NBFCs, in order to enable adoption of best practices and greater transparency in the business operations Which have been hosted on its website www.hindujaleylandfinance.com A report on corporate governance is attached and forms part of this report (Annexure C). Chief Executive Officer and Chief Financial Officer have submitted a certificate to the Board regarding the financial statements as required.

Loans and Investment

During the year the Company has duly complied with the provisions of Section 186(1) of the Companies Act, 2013. The Company did not make any investment through more than two layers of investment companies.

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose are provided in the Financial Statements. The Company being Non-Banking Financial Company is exempt under Sub-section 11 of Section 186 of the Act from complying with other provisions of Section 186 except Section 186(1) of the Act.

Code of Conduct

The Board has laid down a Code of Conduct for all the board members and the senior management of the Company and the same has been posted on the Company's website.

Directors

Appointment

Mr. G S Sundararajan (DIN: 00361030) was appointed as the additional Director (Non-Executive Independent) with effect from 21st May, 2019. Further, Shareholders' approval was obtained at the Annual General Meeting held on 4th July, 2019 for his appointment as Independent Director of the Company for a period of five years.

Mr. Sachin Pillai (DIN: 06400793) was appointed as Managing Director of the Company designated as Chief Executive Officer and Managing Director of the Company effective 11th February, 2020 by the Board of Directors and approved by the members at Extra-Ordinary General Meeting held on 25th March, 2020.

Reappointment of Directors

Mr. S Nagarajan (DIN: 00009236) was re-appointed for a further term of 2 (two) years effective from 1st April, 2020 by the Board of Directors at their meeting held on 11th February, 2020 and approved by the members at Extra-Ordinary General Meeting held on 25th March, 2020.

Mr. Dheeraj G Hinduja (DIN: 00133410), Non-Executive Director retiring by rotation at the ensuing AGM and being eligible, have offered himself for re-appointment. Your Board of Directors has recommended re-appointment of Mr. Dheeraj G Hinduja (DIN: 00133410) at their Meeting held on 20th June, 2020.

Further, the current term of appointment of Mr. D Sarkar (DIN: 02502618), Independent Director expires on 12th August, 2020. It is proposed to seek the approval of shareholders at the ensuing Annual General Meeting for the re-appointment of Mr. D Sarkar as Independent Director of the

Company for a further term of 5 (five) years with effect from 13th August, 2020. Your Board of Directors has recommended re-appointment of Mr. D Sarkar (DIN: 02502618) for a further term of 5 (five) years at their Meeting held on 20th June, 2020.

Resignation

Mr. Atul Kapur, (DIN: 01778935) Independent Director resigned from the office of directorship of the company effective from 3rd December, 2019 pursuant to execution of Share Purchase Agreement between Everfin Holdings and Hinduja Automotive Limited.

Independent Directors declaration

Your Company has received necessary declarations from Independent Directors of the Company, under Section 149(7) of the Act stating that they meet the criteria of independence as laid down in Section 149(6) of the Act.

Details of the terms and conditions of the appointment of the Independent Directors have been hosted on the Company's website www.hindujaleylandfinance.com

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act read with the Rules made there under, the whole-time key managerial personnel of the Company are Mr. S. Nagarajan, Executive Vice Chairman, Mr. Sachin Pillai, Managing Director & Chief Executive Officer, Mr. Kishore Kumar Lodha, Chief Financial Officer and Mr. B Shanmugasundaram, Company Secretary.

Statutory Auditors

As per the provisions of Section 139 of the Act, M/s. Deloitte Haskins & Sells, Chartered Accountants, ICAI Firm Registration Number 00807ZS were appointed as the Statutory Auditors of the Company, for a period of 5 (five) years at the Annual General Meeting of the Company held on 4th July, 2020.

The Auditors' Report of M/s. Deloitte Haskins & Sells, Chartered Accountants for FY 2019-20 does not contain any qualification, reservation or adverse remarks. The Auditors' Report is enclosed with the financial statements in this Annual Report.

Secretarial Audit

Pursuant to the provisions of the Act and the Rules framed there under, the Board of Directors of your Company has appointed M/s. G Ramachandran & Associates, Company Secretaries to undertake the Secretarial Audit of the Company for FY 2019-20. The audit report is attached and forms part of this report and does not contain any qualification. (Annexure D).

Employee Stock Option Scheme

Pursuant to the approval accorded by the shareholders at the Annual General Meeting of the Company held in 1st July, 2013, the Nomination and Remuneration Committee had formulated the Hinduja Employee Stock Option Plan 2013. (HSOP) under which 4,60,000 stock options were granted to the employees of the Company. As required under the provisions of the Act, read with Rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014, the details of this Scheme as on 31st March, 2020 are being provided as an Annexure to this report. (Annexure G).

Further, the Company had adopted new ESOP Scheme Hinduja Leyland Finance Stock Option Plan 2019 at the members meeting held on 22nd November, 2019.

Directors' Responsibility Statement

To the best of our knowledge and belief, and on the basis of the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) of the Act:

a) in the preparation of the annual financial statements for the year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures.

b) for the financial year ended 31st March, 2020, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company and of the Profit of the Company for the year ended 31st March, 2020.

c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) the annual financial statements have been prepared on a going concern basis.

e) that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.

f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

Extract of Annual Return

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in Form MGT- 9 is annexed to this Report. (Annexure H).

Number of meetings of the Board

The Board met 4 (four) times during the financial year, the details of which are given in the Corporate Governance Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Act.

Remuneration Policy of the Company

The Company has in place a remuneration policy which is guided by the principles and objectives as enumerated in Section 178 of the Act. The said policy has been hosted on the Company's website www.hindujaleylandfinance.com and is enclosed as an Annexure to this report. (Annexure I)

Criteria for Board Nomination

The Nomination and Remuneration Committee is responsible for identifying persons for initial nomination as directors and evaluating incumbent directors for their continued service. The Committee has formulated a charter in terms of the provisions of the Act and RBI Directions applicable for non-banking finance companies, which inter alia, deals with the criteria for determining qualifications, positive attributes and independence of a director. These attributes shall be considered for nominating candidates for board positions / re-appointment of directors.

Policy on Board diversity

The Nomination and Remuneration Committee has devised a policy on board diversity which sets out the approach to diversity on the Board of the Company.

Related Party Transactions

All related party transactions that were entered into during the financial year were in the ordinary course of business and on an arm's length basis. There were no material significant transactions with related parties, i.e. pecuniary transactions or relationships between the Company, promoters, directors and the management during the financial year 2019-20 that may have potential conflict with the interest of the Company at large. Suitable disclosures as required in compliance with accounting standards with related parties are disclosed in Note 39 of the notes forming part ofthe financial statements in the annual report.

Form AOC-2 as required under section 234(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, is annexed as part of this Board's Report (Annexure B). The Policy on Related Party Transactions has been hosted on the Company's website www.hindujaleylandfinance.com

Material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of the Report.

There were no material changes and commitments affecting the financial position of the Company between the end of financial year (31st March, 2020) and the date of the Report (20th June, 2020).

Risk Management Policy

Your Company, being in the business of financing of commercial vehicles, three wheelers, two wheelers, tractors, loans against property and equipment in the retail segment, has to manage various risks. These risks include credit risk, liquidity risk, interest rate risk and operational risk.

Risk assessment reports are periodically placed before the Risk Management Committee and the Asset Liability Management Committee for reviewing and monitoring these risks at periodic intervals.

The Company manages credit risk through stringent credit norms aided by a robust in-house developed IT infrastructure. Liquidity risk and interest rate risk arising out of maturity mismatch of assets and liabilities are managed through regular monitoring of the maturity profiles. Operational risks arising from inadequate or failed internal processes, people and systems or from external events are adequately addressed by the internal control systems and are continuously reviewed and monitored. Standard Operating Procedures are well documented to ensure enhanced control over processes and regulatory compliance.

Internal Control Systems and their adequacy

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the internal audit function directly reports to the Audit Committee of the Board. The Company continues to strengthen its internal audit function by investing in domain specialists to increase effectiveness of controls.

The Internal Audit department monitors and evaluates the adequacy of all internal controls and processes, and ensures strict adherence to clearly laid down processes and procedures as well as to the prescribed regulatory and legal framework.

Internal Audit

At the beginning of each financial year, Annual Internal audit plan is rolled out after obtaining approval from Audit Committee. The audit plan is aimed at evaluation of the efficacy and adequacy of internal control systems and compliance thereof, robustness of internal processes, policies and compliance with laws and regulations

Based on the reports of internal audit, function process owners undertake corrective action in their respective areas. Significant audit observations and corrective actions thereon are presented to the Audit Committee of Board. The Audit Committee regularly reviews the annual audit plan status, audit findings as well as the adequacy and effectiveness of the internal control measures.

Corporate Social Responsibility initiatives

Pursuant to Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company at the Board Meeting held on 16th March, 2015 approved a policy on CSR and the policy is hosted on the website of the Company www.hindujaleylandfinance.com

With respect to CSR requirements, we have, so far, put in place necessary measures and processes of identifying worthy causes as well as to monitor their progress with a view to ensuring that they are consistent with our policy, serving large public good and are sustainable over an extended period. Particulars of CSR activities and details of amount spent during the financial year is annexed to this report. The details relating to the composition of CSR Committee forms part of corporate governance report, enclosed as an Annexure to this report (Annexure J).

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and other applicable regulatory provisions, the Board has carried out an annual evaluation of its own performance, and that of the Committees, Chairperson and Directors facilitated by an Independent external agency to ensure objectivity and equality based on the above criteria. The process involved evaluation of the effectiveness of the Board, Committees and individual Directors and independent feedback from all the Board members. The overall performance evaluation was completed to the satisfaction of the Board. The criteria for Board evaluation is enclosed as Annexure E to this report.

Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors of the Company had approved the Policy on Vigil Mechanism/Whistle Blower to deal with instance of fraud and mismanagement, if any and the same was hosted on the website of the Company www.hindujaleylandfinance.com

This Policy inter-alia provides a direct access to the Chairman of the Audit Committee. Your Company hereby affirms that no Director / employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year from a Director or an Employee.

Secretarial Standards

During the financial year 2019-20, the company has complied with the applicable Secretarial Standards.

Sexual Harassment Policy

Your Company has in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. There were no complaints received during the year. The Policy has been hosted on the Company's website www.hindujaleylandfinance.com

Significant and material orders

There has been no penalty imposed by RBI or other Regulators during the year ended 31st March, 2020.

Particulars of Employees and Related disclosures

In accordance with the provisions of Section 136(1) of the Act, the Board's Report is being sent to all the members of the Company and the statement prescribed under the provisions of Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached to the Board's Report (Annexure F).

Conservation of energy, technology absorption, foreign exchange earnings and outgo

The company has no activity relating to conservation of energy or technology absorption. During the year under review, there were no foreign exchange earnings. Foreign exchange outgo during the year amounts to Rs 41.00 lakhs (previous year Rs 79.00 lakhs).

Management Discussion and Analysis

The financial year 2019-20 was the worst year for the auto industry in at least 25 years with sales in March 2020 marking the low point of the year, due to the country-wide lockdown and in some cases, due to BS-VI transition issues.

The M&HCV (Truck) segment continues to face multiple issues during the year, including a) over capacity following the revision in the axle load norms in July 2018, b) tightened financing environment due to the liquidity crunch in the economy, c) viability pressure on fleet operators due to subdued economic growth, freight availability and freight rates, d) slowdown in infrastructure projects and e) the novel Coronavirus, or COVID-19, led lockdown dealt a decisive blow to the already slowing industry. Slowdown in consumption, both in rural and urban areas, and the general macroeconomic slowdown also continue to weigh on the LCV (Truck) segment, along with weak credit availability. Accordingly, the volumes of both the goods carrier segments continued to contract during the year, with M&HCV (Truck) volumes contracting by 42.8% and LCV (Truck) by 12.8% in FY2020. The bus segment, on the other hand, reported a year-on-year improvement in volumes between December 2019 and March 2020, in the LCV as well as M&HCV segments, supported by multiple large orders from state road transport undertakings. With the COVID-19 pandemic further amplifying the sharp economic slowdown and with the weak/negative GDP growth expected through FY21, MHCV utilisation levels improvement and growth is expected to resume only from FY22. The near-term outlook for the sector remains subdued, especially for the goods carrier segment, given the subdued macroeconomic environment.

Indian two-wheeler industry is going through its worst slowdown of decades as a weakening economy has been impacting demand at the time of big regulatory changes. Volumes declined 18% year-on-year in FY20, which was the worst annual drop in 45 years of known history. Two-wheelers are facing the brunt of new regulations as the combined effect of new insurance, braking and emission norms has resulted in a massive 15-30% jump in vehicle prices in just 1.5 years. While the steep fall in two wheelers volumes over the last 12 months has created a low base, the economic impact of COVID-19 will keep demand under pressure in the near-term. However, a better outlook for the rural economy which has been relatively less impacted than urban by COVID-19, still be a positive for two-wheeler demand. COVID-19 should also trigger a shift towards personal mobility, where a section of public transportation users should switch to two-wheelers, especially in urban.

The Indian tractor industry reported a 10% decline in domestic sales for 2019-20, amid some recovery in volumes during the second half of fiscal, before the lockdown happened. The sentiments during the first half of FY 2019-20 were weak due to poor farm cash flows as well as high-base effect following three years of steady growth in tractor volumes. However, improved South-West monsoon helped improve demand trends in the industry to an extent during the festive season. The tractor sales started improving from December 2019 onwards, with higher recorded monthly sales than the year-ago months. Tractor sales were also affected on COVID-19 lockdown - just before the start of festive days in large parts of the country. However, in FY 2020-21, Tractors segment is expected to recover sooner than other segments. There are several positive factors, including a good Rabi output, opening of procurement centers by the government, satisfactory level of water in the reservoirs, expectations of a good monsoon, hike in Minimum Support Price of main food grains, Government of India's push to the rural economy in the form of the stimulus package will all boost the tractor sales in the ensuing month

The Loan Against Property (LAP) market demand was steady throughout the year and credit off-take is set to revive once business cycles resume normalcy. Low interest, need for working capital will assist in the growth in this segment.

In case the lockdown and slow economic activity persists longer than June 2020, the auto sector could face pressures from both demand and supply sides including in exports. Against a backdrop of falling domestic sales and continuing margin pressure, any supply-side shocks could bring the credit metrics of automobile companies under further strain. However the following could provide some relief (i) Rs 3 trillion in collateral-free loans for MSMEs, a 12-month moratorium and a 100% credit guarantee to banks/NBFCs will provide relief to MSMEs in troubled sectors such as auto (ii) Rs 300 billion liquidity scheme through investment-grade debt papers of NBFCs, HFCs and MFIs fully guaranteed by government and (iii) Rs 450 billion through partial credit guarantee scheme scope expansion. Papers rated AA and below including unrated papers brought under the scheme; first 20% loss to be borne by government will benefit small and mid-sized NBFCs funding them.

The ongoing crisis will help the industry learn new lessons, especially, with respect to risk management. It would be worth taking a path that would help the industry in de-risking the supply chain and increasing preparedness for uncertainty.

Acknowledgement

Your Directors wish to place on record their appreciation for the whole-hearted and cooperation your Company has received from all its Bankers, Financial Institutions, Ashok Leyland Limited and all dealers. Your Directors also wish to extend their sincere thanks to all the customers and shareholders for their continued support. Your Directors further wish to place on record their appreciation for the unstinted co-operation and support extended by all the employees in achieving the performance of your Company.

On behalf of the Board of Directors

Place: Chennai
Date: 20th June, 2020

Dheeraj G Hinduja
Chairman

Annexure A

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies

Part "A": Subsidiaries

(Rs in Lakhs except otherwise stated)

S.No.	Particulars	Details
1	Name of the subsidiary	Hinduja Housing Finance Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4	Share capital	19,000 (19,00,00,000 Equity Shares of Rs 10/- each)
5	Reserves & surplus	7,590.89
6	Total assets	169,662.94
7	Total Liabilities	169,662.94
8	Investments	4,392.31
9	Turnover	20,893.16
10	Profit before taxation	4,023.30
11	Provision for taxation	655.46
12	Profit after taxation	3,367.84
13	Proposed Dividend	NIL
14	% of shareholding	100%

Notes:

1. Names of subsidiaries which are yet to commence operations – Hinduja Insurance Broking and Advisory Services Limited.
2. Names of subsidiaries which have been liquidated or sold during the year – Nil

Part "B": Associates

(Rs in Lakhs except otherwise stated)

S.No.	Particulars	Details
1	Name of the associate company	HLF Services Limited
2	Latest audited Balance Sheet Date	31st March, 2020
3	Shares of Associate/Joint Ventures held by the company on the year end	
	Number of shares	22,950 Equity Shares of Rs 10/- each
	Amount of Investment in Associates/Joint Venture	Rs 2,29,500/-
	Extend of Holding%	45.90%
4	Description of how there is significant influence	By virtue of Company holding 45.9% of the share capital of M/s. HLF Services Limited
5	Reason why the associate/joint venture is not Consolidated	NA
6	Net worth attributable to shareholding as per latest audited Balance Sheet	265.91
7	Profit/(Loss) for the year	137.14
8	i. Considered in Consolidation	137.14
9	ii. Not Considered in Consolidation	-

1. Names of associates which are yet to commence operations - Nil
2. Names of associates which have been liquidated or sold during the year – Nil

Annexure B
Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:
   All transactions entered into by the Company during the year with related parties were on an arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis:
   The transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature

On behalf of the Board of Directors

Place: Chennai
Date: 20th June, 2020

Dheeraj G Hinduja
Chairman

Annexure C
CORPORATE GOVERNANCE REPORT

RBI Guidelines on Corporate Governance

In order to enable NBFCs to adopt best practices and greater transparency in their operations, RBI has stipulated all NBFCs to frame an internal guideline on Corporate Governance. In pursuance of the aforesaid guidelines, the Company has framed an internal guideline on Corporate Governance.

Company's Philosophy on Corporate Governance

The Company recognizes its role as a corporate citizen and endeavors to adopt the best practices and the highest standards of Corporate Governance through transparency in business ethics, accountability to its customers, government and others. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices. As part of the Hinduja Group and as a subsidiary of Ashok Leyland Limited, the Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices.

Board of Directors

As at 31st March, 2020, your Company's Board consists of 10 (Ten) members including the Chairman. The composition of the Board is in conformity with the provisions of Companies Act, 2013 and Corporate Governance Directions issued by Reserve Bank of India.

Composition and category of Directors

Name of the Director	Category	Designation
Mr. Dheeraj G Hinduja	Non-Executive	Director (Chairman)
Mr. S Nagarajan	Executive	Executive Vice Chairman
Mr. Sachin Pillai*	Executive	Managing Director & Chief Executive Officer
Mr. Gopal Mahadevan	Non-Executive	Director
Mr. Sudhanshu Tripathi	Non-Executive	Director
Mr. Atul Kapur*	Non-Executive	Nominee Director
Mr. G S Sundararajan	Non-Executive	Independent Director
Mr. R S Sharma	Non-Executive	Independent Director
Ms. Manju Agarwal	Non-Executive	Independent Director
Mr. D Sarkar	Non-Executive	Independent Director
Prof. Dr. Andreas H Biagosch	Non-Executive	Independent Director

* Mr. Atul Kapur, Non-Executive Nominee Director resigned w.e.f 3rd December, 2019

* Mr. Sachin Pillai, Chief Executive Officer & Managing Director was appointed w.e.f. 11th February, 2020

Meetings of the Board

The meetings of the Board of Directors shall be held at least four times a year, with a maximum time-gap of four months between any two consecutive meetings. During the year, the Board met 4 (four) times on the following dates;

FY 2019-20	Meeting date
April 2019 – June 2019 (Q1)	22nd May, 2019
July 2019 – September 2019 (Q2)	29th July, 2019
October 2019 – December 2019 (Q3)	6th November, 2019
January 2020 – March 2020 (Q4)	11th February, 2020

The necessary quorum was present at all the meetings. In compliance with the applicable provisions of the Act and the Rules made there under, the Company facilitates the participation of the Directors in Board/Committee meetings through video conferencing or other audio-visual mode except in respect of such meetings/items, which are not permitted to be transacted through video conferencing notified under the Act.

Attendance during the financial year 2019-20 of each Director at the Board Meetings, last Annual General Meeting

Name	No. of meeting attended / eligible	
	Board	Annual General Meeting
Mr. Dheeraj G Hinduja	4/4	0/1
Mr. S Nagarajan	4/4	1/1
Mr. Sachin Pillai*	1/1	1/1
Mr. Gopal Mahadevan	4/4	0/1
Mr. Sudhanshu Tripathi	4/4	0/1
Mr. Atul Kapur*	2/3	0/1
Mr. G S Sundararajan	4/4	0/1
Mr. R S Sharma	4/4	0/1
Ms. Manju Agarwal	4/4	0/1
Mr. D Sarkar	4/4	0/1
Prof. Dr. Andreas H Biagosch	4/4	0/1

* Mr. Atul Kapur, Non-Executive Nominee Director resigned w.e.f 3rd December, 2019

* Mr. Sachin Pillai, Chief Executive Officer & Managing Director was appointed w.e.f. 11th February, 2020

Separate meetings of the Independent Directors

A Separate Meeting of Independent Directors was held on 22nd May, 2019 without the attendance of non-independent directors and members of management. All the Independent Directors attended the meeting and:

- reviewed the performance of non-independent directors and the Board as a whole;
- reviewed the performance of the Chairman of the company, taking into account the views of executive directors and non-executive directors;
- assessed the quality, quantity and timeliness of flow of information between the company

management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Code of conduct

The Board of Directors of the Company has laid down a code of conduct for all Directors and Senior Management of the Company. The code of conduct is available on the website of the Company. All Board members and senior management personnel have affirmed compliance with the code of conduct. A declaration signed by the Chairman to this effect is enclosed at the end of this report.

Committees of the Board

To focus effectively on the issues, and ensure expedient resolution of diverse matters, the Board has constituted the following set of Committees with specific terms of reference / scope. The Committees are operating as empowered agents of the Board as per their Charter / terms of reference. The minutes of the meetings of all Committees of the Board are being placed before the Board for discussions / noting.

Audit Committee

The Board of Directors has constituted and entrusted the Audit Committee with the responsibility to supervise internal controls and financial reporting processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting. During the year under review, the audit committee was reconstituted with the induction of Mr. G S Sundararajan as Chairman and Member of the Audit Committee. Composition of the Audit Committee and attendance of the members at Committee meetings are as follows:

<table>
<tr><th>Name</th><th>Positions held</th><th>No. of meetings attended / eligible</th><th>Meeting dates</th></tr>
<tr><td>Mr. G S Sundararajan</td><td>Chairman</td><td>4/4</td><td rowspan="5">21st May, 2019; 29th July, 2019;
5th November, 2019;
11th February, 2020</td></tr>
<tr><td>Mr. D Sarkar</td><td>Member</td><td>4/4</td></tr>
<tr><td>Ms. Manju Agarwal</td><td>Member</td><td>4/4</td></tr>
<tr><td>Mr. Gopal Mahadevan</td><td>Member</td><td>4/4</td></tr>
<tr><td>Mr. R S Sharma</td><td>Member</td><td>4/4</td></tr>
<tr><td>Mr. Atul Kapur*</td><td>Member</td><td>2/3</td><td>21st May, 2019; 5th November, 2019</td></tr>
</table>

* Mr. Atul Kapur, Non-Executive Nominee Director resigned w.e.f 3rd December, 2019

Nomination and Remuneration Committee

The Board has reconstituted the Nomination and Remuneration Committee pursuant to the provisions of the Companies Act, 2013. The terms of reference of the Committee cover evaluation of performance and compensation and benefits for Executive Director(s), Non-Executive Director(s), KMPs and their reportees. The Committee also recommends candidates for appointment to the Board and is responsible for framing of policies.

Composition of the Nomination and Remuneration Committee and attendance of the members at Committee meetings are as follows:

Name	Positions held	No. of meetings attended / eligible	Meeting dates
Mr. R S Sharma	Chairman	3/3	21st May, 2019; 6th November, 2019 11th February, 2020
Mr. Dheeraj G Hinduja	Member	3/3	
Mr. D Sarkar	Member	3/3	
Mr. Sudhanshu Tripathi	Member	3/3	

Stakeholders Relationship Committee

The Stakeholders Relationship Committee is empowered to perform the functions of the Board relating to handling of stakeholders' queries and grievances. The terms of reference for the Committee is as follows:

- Oversee and review all matters connected with the transfer of the Company's securities.
- Monitor redressal of investors' / shareholders' / security holders' grievances.
- Oversee the performance of the Company's Registrar and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/amendment or modification as may be applicable.

Composition of the Stakeholders Relationship Committee and attendance of the members at Committee meetings are as follows:

Name	Positions held	No. of meetings attended / eligible	Meeting dates
Ms. Manju Agarwal	Chairperson	2/2	21st May, 2019; 5th November, 2019
Mr S Nagarajan	Member	2/2	
Mr Sudhanshu Tripathi	Member	2/2	

Corporate Social Responsibility Committee

In accordance with the provisions of Section 135 of the Companies Act, 2013 read with Rules made there under, the Board of Directors of the Company have constituted the Corporate Social Responsibility Committee (CSR Committee). The Committee has formulated and recommended a CSR Policy to the Board and various recommendations of the Committee including the amount of expenditure to be incurred on CSR activities are submitted to the Board for approval. The Committee has framed a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company and also monitors CSR policy from time to time.

Composition of the CSR Committee and attendance of the members at Committee meetings are as follows:

Name	Positions held	No. of meetings attended / eligible	Meeting dates
Mr. Dheeraj G Hinduja	Chairman	2/2	21st May, 2019; 6th November, 2019
Mr. S Nagarajan	Member	2/2	
Mr. Sudhanshu Tripathi	Member	2/2	
Prof. Dr. Andreas Biagosch	Member	1/2	6th November, 2019

Risk Management Committee and Asset Liability Management Committee
The Risk Management Committee (RMC) and the Asset Liability Management Committee (ALCO), are formed in accordance with the Directions issued by the Reserve Bank of India.

Composition of RMC and attendance of the members at Committee meetings are as follows:

Name	Positions held	No. of meetings attended / eligible	Meeting dates
Mr. D Sarkar	Chairman	3/3	21st May 21, 2019; 5th November, 2019 and 11th February, 2020
Mr S Nagarajan	Member	3/3	
Mr. R S Sharma	Member	3/3	
Prof. Dr. Andreas Biagosch	Member	3/3	
Mr. Atul Kapur*	Member	2/3	21st May 21, 2019; 5th November, 2019

* Mr. Atul Kapur, Non-Executive Nominee Director resigned w.e.f 3rd December, 2019

Composition of ALCO and attendance of the members at Committee meetings are as follows:

Name	Positions held	No. of meetings attended / eligible	Meeting dates
Mr. S Nagarajan	Chairman	3/3	21st May, 2019; 29th July, 2019; 5th November, 2019
Mr. Gopal Mahadevan	Member	3/3	
Mr. Atul Kapur*	Member	2/3	21st May, 2019; 5th November, 2019

* Mr. Atul Kapur, Non-Executive Nominee Director resigned w.e.f 3rd December, 2019

Capital Raising Committee
The Capital Raising Committee is authorised to, among other things, approve implement, negotiate, carry out and decide upon all activities in connection with the Offer, approve amendments to the Memorandum and Articles of Association, approve dematerialization of Equity Shares, finalise and arrange for submission of Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, seek listing of the Equity Shares and submit applications and documents to relevant statutory and other authorities from time to time.

Capital Raising Committee consists of Mr. Gopal Mahadevan, Chairman, Mr. S Nagarajan, Member and Mr. Atul Kapur (Mr. Atul Kapur, Non-Executive Nominee Director resigned w.e.f 3rd December, 2019).

No Capital Raising Committee Meetings were held during the year 2019-20.

Credit Committee

The Credit Committee of Directors is authorised to, among other things, approve all credit proposals, which if approved, would result in exposure to a single borrower / group borrower in excess of the ceiling prescribed in the delegation of powers as per the loan policy. The Credit Committee was reconstituted during the year under review with the induction of Mr G S Sundararajan as a Member of the Committee.

Composition of the Credit Committee and attendance of the members at Committee meetings are as follows:

Name	Positions held	No. of meetings attended / eligible	Meeting dates
Ms. Manju Agarwal	Chairperson	6/6	20th May, 2019; 29th July, 2019; 27th September, 2019 5th November, 2019; 11th February, 2020 and 6th March, 2020
Mr. S Nagarajan	Member	6/6	
Mr. Gopal Mahadevan	Member	6/6	
Mr. G S Sundararajan	Member	5/6	29th July, 2019; 27th September, 2019 5th November, 2019; 11th February, 2020 and 6th March, 2020

IT Strategy Committee

The IT Strategy Committee was constituted by the Board of Directors at their meeting held on 5th June, 2018 as per the requirements of Master Direction - Information Technology Framework for the NBFC Sector issued by Reserve Bank of India. The terms of reference of the Committee is as specified in the RBI Master Direction referred above and changes as may be notified from time to time.

Composition of IT Strategy Committee and attendance of the members at Committee meetings are as follows:

Name	Positions held	No. of meetings attended / eligible	Meeting dates
Ms. Manju Agarwal	Chairperson	4/4	29th July, 2019; 3rd September, 2019; 6th November, 2019 and 6th March, 2019
Mr. S Nagarajan	Member	4/4	
Mr. Sethumurugan Head – IT	Member	4/4	

Related Party Transaction
During the year, the Company did not enter into any materially significant transaction with related parties, i.e., its Promoters, Directors and their relatives, conflicting with the Company's interests. All related party transactions were being transacted on an arm's length basis.

Distribution of shareholding as on 31st March 2020
The Shareholding of the Company as on 31st March, 2020 including shareholding of Promoter, Directors, KMPs and top ten shareholders are disclosed in extract of Annual Report in Form MGT-9.

Share Price Performance
Share Price Performance is not applicable since the Company's equity shares are not listed.

Share Transfer and Investor Grievances Committee
As the shares of the Company are not listed, no Share Transfer and Investors Grievances Committee is required to be constituted.

Share transfer, transmission, split, consolidation and grievances of investors and security holders are taken care of by the Stakeholders Relationship Committee set up by the Board. There were no investor complaints pending resolution at the beginning of the year and no fresh investor complaints were received during the year. Also, during the Financial Year, Company did not receive any complaint from its debenture holders.

Listed Debentures
The NCDs as detailed in the Directors have been listed on the BSE Limited (BSE) for trading in compulsory dematerialised form. The Company is up-to-date in the payment of annual listing fees to BSE.

Commercial Paper
During the year, your Company raised Rs 4,525 Crores of Commercial Papers (CPs). All the CPs were assigned A1+ by CRISIL and CARE and there are no outstanding CPs as of 31st March, 2020. During the year the Company had listed its Commercial Papers with BSE Limited pursuant to Securities and Exchange Board of India Circular dated 22nd October, 2019.

Registrar and Transfer Agent
The Registrar and Transfer agent appointed for Debt and Equity and can be contacted by investors at the following address:

For Debt Integrated Enterprises (India) Private Limited 5A, 5th Floor, Kences Towers, 1, Ramakrishna Street, T Nagar, Chennai – 600 017.	For Equity Karvy Computershare Pvt. Ltd. Flat No #F11, 1st Floor, Akshaya Plaza, New #108, Adhithanar Salai, Egmore, Chennai 600 002.

Annual General Meeting

The following are the details of Annual General Meeting held during the year:

Date of Annual General Meeting	Venue	Special Resolution passed
4th July, 2019	No. 27 A, Developed Industrial Estate, Guindy 600 032.	1. Re-appointment of Mr. R S Sharma for a further term of 5 years 2. Revision in Remuneration of Mr. S Nagarajan, Executive Vice Chairman 3. Increase in Borrowings Power 4. Issuance of Non-Convertible Debenture 5. Sale, mortgage or creation of Charge on the assets of the Company, whether movable or immovable, present or future and/or whole or any part of the undertaking(s) of the Company 6. Maintaining of Registers and returns at a place other than the Registered Office of the Company

Vigil Mechanism / Whistle Blower Policy

The disclosure with respect to Whistle Blower Policy is disclosed in the Board's Report.

SEBI Complaints Redress System (SCORES)

The Company is registered with SEBI Complaints Redress System (SCORES) for complaint redressal.

Disclosure

The Company has complied with the applicable requirements of the Securities and Exchange Board of India (SEBI) and the BSE Limited (BSE) on matters relating to capital markets. There has been no instance of non-compliance by the Company or penalty or strictures imposed / passed on the Company by SEBI or BSE or any statutory authority, on any matter related to capital markets, during the last three years.

Means of Communication

The primary source of information to the shareholders, customers, analysts and other stakeholders of the Company and to the public at large is through the website of the Company. In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement with BSE, half-yearly unaudited financial results / annual audited financial results of the Company in respect of financial year 2019-20 have been forwarded to BSE in the prescribed format.

Corporate Identity Number

The Corporate Identity Number (CIN), allotted to the Company by the Ministry of Corporate Affairs, Government of India is U65993TN2008PLC069837. With the MCA21 initiative of the Ministry of Corporate Affairs going live, the Company's master data and details of the compliance filings of the Company with the Ministry may be viewed by the Members and other stakeholders at www.mca.gov.in using the CIN.

Registration with the Reserve Bank of India

The Registration Number allotted to the Company by Reserve Bank of India is N-07-00782 under Section 45 IA of the Reserve Bank of India Act, 1934 on 22nd March, 2010.

Address for correspondence and any assistance or clarification

Mr. B Shanmugasundaram, Company Secretary is the Compliance Officer. He can be contacted at the following address for assistance or clarification:

Mr. B Shanmugasundaram
Company Secretary & Compliance Officer
Hinduja Leyland Finance Limited
No. 27A, Developed Industrial Estate,
Guindy – 600 032.
Email: compliance@hindujaleylandfinance.com

Management Discussion and Analysis Report

The Management Discussion and Analysis Report forms part of the Board's Report.

CEO / CFO CERTIFICATION

Mr. Sachin Pillai, Chief Executive Officer and Mr. Kishore Kumar Lodha, Chief Financial Officer issued a certificate to the Board with regard to financial statements, compliance and internal control systems of the Company given as an Annexure at the end of this report.

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board has laid down a Code of Conduct for all board members and senior management of the Company. The Code of Conduct has also been hosted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company during the year ended 31st March, 2020.

On behalf of the Board of Directors

Place: Chennai
Date: 20th June, 2020

Dheeraj G Hinduja
Chairman

Annexure D

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To,
The Members,
M/s. Hinduja Leyland Finance Limited
CIN# U65993TN2008PLC069837
1 Sardar Patel Road,
Guindy, Chennai – 600032.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Hinduja Leyland Finance Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, explanations and clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial ended 31st March, 2020 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 M/s. Hinduja Leyland Finance Limited for the financial year ended on 31st March, 2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) SEBI (Issue and Listing of Debt Securities) Regulations 2008

(vi) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

(vii) Reserve Bank of India Act, 1934 read with applicable Rules and Regulations relating to the:
   (a) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit

taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (Updated as on 17th February, 2020)
(b) Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We report that:
The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that 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 that during the audit period the company has issued 81,500 Equity Shares under Employees Stock Option Scheme during the year under review.

We further report that the listed entity has complied with the conditions mentioned in 6(A) and 6(B) of SEBI circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.

We further report that we could not verify certain documents physically in view of Government imposed lockdown due to COVID-19 pandemic situation.

For **M/s. G Ramachandran & Associates**
Company Secretaries

G. RAMACHANDRAN
Proprietor
FCS No.9687 CoP. No.3056

Place: Chennai
Date: 18th June, 2020
UDIN:F009687B000353987

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 SECRETARIAL AUDIT REPORT OF EVEN DATE

To,
The Members,
Hinduja Leyland Finance Limited
CIN# U65993TN2008PLC069837
1 Sardar Patel Road, Guindy, Chennai – 600032.

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

1. Maintenance of Secretarial record is the responsibility of the management of the company our responsibility is to express an opinion on these secretarial records based on our 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 followed 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.
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 is 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 future viability of the Company not of the efficacy of effectiveness with which the management has conducted the affairs of the Company.

For **M/s. G Ramachandran & Associates**
Company Secretaries

G. RAMACHANDRAN
Proprietor
FCS No.9687 CoP. No.3056

Place: Chennai
Date: 18th June, 2020
UDIN:F009687B000353987

Annexure E

CRITERIA FOR EVALUATION OF DIRECTORS

Personal Traits/ General Criteria:

- Highest personal and professional ethics, integrity and values ;
- Inquisitive and objective perspective, practical wisdom and mature judgment;
- Demonstrated intelligence, maturity, wisdom and independent Judgment
- Self-confidence to contribute to board deliberations and stature such that other board members will respect his or her view;
- The willingness and commitment to devote the extensive time necessary to fulfill his/her duties;
- The ability to communicate effectively and collaborate with other board members to contribute effectively to the diversity of perspectives that enhances Board and Committee deliberations, including a willingness to listen and respect the views of others; and
- The skills, knowledge and expertise relevant to the Company's business, with extensive experience at a senior leadership level in a comparable company or organization, including, but not limited to relevant experience in manufacturing, international operations, public service, finance, accounting, strategic planning, supply chain, technology and marketing.

Specific Criteria :

- Participation and contribution by a Director;
- Commitment, including guidance provided to the Senior Management outside of Board / Committee Meetings;
- Effective deployment of knowledge and expertise;
- Effective management of relationship with various stakeholders;
- Independence of behaviour and judgment.
- Maintenance of confidentiality of critical issues.

Factor	Attributes
Role & Accountability	• Understanding of nature and role of independent directors' position
	• Understanding of risks associated with the business
	• Application of knowledge for rendering advice to Management for resolution of business issues
	• Offer constructive challenge to Management strategies and proposals
	• Active engagement with the Management and attentiveness to progress of decisions taken
Objectivity	• Non-partisan appraisal of issues
	• Own recommendations given professionally without tending to majority or popular views
Leadership & Initiative	• Heading Board Sub Committees
	• Driving any function or identified initiative based on domain knowledge and experience
Personal attributes	• Commitment to role & fiduciary responsibilities as a board member
	• Attendance and active participation and not done perfunctorily
	• Proactive, strategic and lateral thinking

Annexure F

Disclosure pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) & (ii) The ratio of the remuneration of each Director to the median and mean remuneration of the employees of the Company for the financial year & the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Names of the Directors / Key Managerial Personnel	Ratio to Median Remuneration	Ratio to Mean Remuneration	Increase / Decrease in Remuneration in the financial year
Mr. Dheeraj G Hinduja	10.77	7.28	-21.38%
Mr. S Nagarajan	71.37	48.26	10.50%
Mr. R S Sharma	5.08	3.44	-3.40%
Mr. D Sarkar	5.08	3.44	-3.40%
Mr. Gopal Mahadevan	5.38	3.64	4.49%
Mr. G S Sundararajan	4.86	3.28	NA
Mr. Sudhanshu Tripathi	4.56	3.08	19.19%
Ms. Manju Agarwal	5.93	4.01	36.42%
Prof. Dr. Andreas Biagosch	5.59	3.78	11.80%
Mr. Sachin Pillai, Managing Director & Chief Executive Officer*	56.63	38.29	9.90%
Mr. Kishore Kumar Lodha, Chief Financial Officer	19.49	13.18	20.31%
Mr. B Shanmugasundaram, Company Secretary	8.62	5.83	24.29%

*Appointed as Managing Director & Chief Executive Officer with effect from 11th February, 2020.

Note: The remuneration of non-executive for the financial year 2019-20 comprises the sitting fee paid for attending meetings of the board and committees thereof and Commission for FY 2019-20.

*(iii) The percentage increase in the median remuneration of employees in the financial year – 8.7%.

(iv) The number of permanent employees on the rolls of the Company – 1763.

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in salaries of employees other than managerial personnel in 2019-20 was 8.7%.

Percentage increase in the managerial remuneration for the year was 8.7%.

(vi) The key parameters for any variable component of remuneration availed by the directors:

Commission is within the ceiling of 1% of the net profits of the Company, as approved by the shareholders.

(vii) Affirmation that the remuneration is as per the remuneration policy of the company. The Company affirms that remuneration is as per the remuneration policy of the Company.

Annexure G

Disclosure under Rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014

S.No.	Nature of Disclosures	Particulars
a	Options granted	2,10,000 options
b	The pricing formula	Fair Value as on the date of Grant
c	Options vested and exercisable	3,62,500 options
d	Options exercised	81,500 Options
e	The total no. of shares arising as a result of exercise of Options	81,500 Shares
f	Options lapsed/surrendered	1,02,500 options
g	Variation of terms of Options	NIL
H	Money realized by exercise of options during 2019-20	INR 4,442,400
I	Total number of Options in force	13,51,000 options
J	i) Details of Options granted to Key Managerial Personnel	No new grants to key managerial personnel during the year.
	ii) Any other employee who received a grant, in any one year of Option amounting to 5% or more of Options granted during the year	Nil
	iii) Identified employees who were granted Options,during any one year, equal to or exceeding 1% ofthe issued capital of the company at the time ofgrant	Nil
K	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard AS-20	Rs 6.21
L	i) Difference between the compensation cost using the intrinsic value of the stock Options (which is the method of accounting used by the company) and the compensation cost that would have been recognised in the accounts if the fair value of Options had been used as the method of accounting	Not applicable, since the shares are issued at fair value.
	ii) Impact of the difference mentioned in (i) above on the profits of the company	Nil
	iii) Impact of the difference mentioned in (i) above on the EPS of the company	Nil

S.No.	Nature of Disclosures	Particulars
m	i) Weighted average exercise price of Options	Rs 73.96
	ii) Weighted average fair value of Options	As per note 35 forming part of the standalone financial statement.
n	i) Method used to estimate the fair value of Options	Black Scholes' model
	ii) Significant assumptions used (weighted average information relating)	As per note 35 forming part of the standalone financial statement.
	(a) Risk free interest rate	Following are the risk-free interest rates (based on government bonds) considered in the valuation methodology: • Options granted in March 2014 - 8.00% • Options granted in November 2016 - 6.88% • Options granted in May 2017 -7.08% • Options granted in January 2018 - 7.08%
	(b) Expected life of the Option	4 years
	(c) Expected volatility	0.00%
	(d) Expected dividend yields	0.00%
	(e) Price of the underlying share in the market at the time of Options granted	NA

On behalf of the Board of Directors

Place: Chennai
Date: 20th June, 2020

Dheeraj G Hinduja
Chairman

Annexure H

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended 31st March, 2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:		
1	CIN	U65993TN2008PLC069837
2	Registration Date	12.11.2008
3	Name of the Company	HINDUJA LEYLAND FINANCE LIMITED
4	Category/Sub-category of the Company	Company Limited by Shares
		Indian Non-Government Company
5	Address of the Registered office & contact details	No.1, Sardar Patel Road, Guindy, Chennai - 600032. Ph: 044-22206000
6	Whether listed company	Debt-Listed Company
7	Name, Address & contact details of the Registrar & Transfer Agent, if any	For Debt Integrated Enterprises (India) Private Limited 5A, 5th Floor, Kences Towers, 1, Ramakrishna Street, T Nagar, Chennai – 600 017. For Equity Karvy Computershare Pvt. Ltd. Flat No #F11, 1st Floor, Akshaya Plaza, New #108, Adhithanar Salai, Egmore, Chennai 600 002.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products services	NIC Code of the Product/service	% to total turnover of the company
1	NBFC engaged in Asset Financing and other financial services (Financial service activities, except insurance and pension funding)	64990	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.N.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Ashok Leyland Limited No. 1, Sardar Patel Road, Guindy, Chennai – 600 032.	L34101TN1948PLC000105	Holding Company	67.19	2(46)

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
S.N.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
2	Hinduja Housing Finance Limited No. 27A, Developed Industrial Estate, Guindy, Chennai – 600 032.	U65922TN2015PLC100093	Subsidiary Company	100.00	2(87)
3	HLF Services Limited No. 1, Sardar Patel Road, Guindy, Chennai – 600 032.	U67190TN2010PLC076750	Associate Company	45.90	2(6)

IV. SHAREHOLDING PATTERN

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual / HUF	-	-	-	-	-	-	-	-	
b) Central Govt.	-	-	-	-	-	-	-	-	
c) State Govt. (s)	-	-	-	-					
d) Body Corporate	29,04,31,937	-	29,04,31,937	61.84%	31,56,42,021	-	31,56,42,021	67.19%	+5.35%
e) Banks / FI	-	-	-	-	-	-	-	-	
f) Any Other	-	-	-	-	-	-	-	-	
Sub-total (A) (1)	**29,04,31,937**	**-**	**29,04,31,937**	**61.84%**	**31,56,42,021**	**-**	**31,56,42,021**	**67.19%**	**+5.35%**
(2) **Foreign**									
a) NRIs - Individuals	-	-	-	-					
b) Other–individuals	-	-	-	-	-	-	-	-	-
c) Body Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	**29,04,31,937**	**-**	**29,04,31,937**	**61.84%**	**31,56,42,021**	**-**	**31,56,42,021**	**67.19%**	**+5.35%**

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital	-	-	-	-	-	-	-	-	-
i) Funds Others (Clearing members)					-	-	-	-	-
Sub-total (B)(1)					-	-	-	-	-

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions a) Body Corporate -	**3,37,77,627**	**-**	**3,37,77,627**	**7.19%**	**85,67,543**	**-**	**85,67,543**	**1.82%**	**- 5.37%**
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	14,25,80,254	-	14,25,80,254	30.36%	14,25,80,254	-	14,25,80,254	30.35%	- 0.01%
b) Others -									
i) Individual share holders holding nominal share capital up to Rs. 1 lakh	22,452	45,864	68,316	0.015%	90,838	2080	92,918	0.02%	+0.05%
ii) Individual share holders holding nominal share capital in excess of Rs 1 lakh	85,000	27,27,856	28,12,856	0.60%	28,69,754	-	28,69,754	0.61%	+0.01%
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	**17,64,65,333**	**27,73,720**	**17,92,39,053**	**38.17%**	**15,41,08,389**	**2,080**	**15,41,10,469**	**32.81%**	
Total Public Share holding (B)= (B)(1)+(B)(2)	**17,64,65,333**	**27,73,720**	**17,92,39,053**	**38.17%**	**15,41,08,389**	**2,080**	**15,41,10,469**	**32.81%**	**-**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**46,68,97,270**	**27,73,720**	**46,96,70,990**	**100%**	**46,97,50,410**	**2,080**	**46,97,52,490**	**100%**	**-**

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	Ashok Leyland Limited	29,04,31,937	61.84%	-	31,56,42,021	67.19%	-	-
	Total	**29,04,31,937**	**61.84%**	**-**	**31,56,42,021**	**67.19%**	**-**	**-**

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year - Ashok Leyland Limited	29,04,31,937	61.84%	-	-
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc): Transfer from Aasia Corporation LLP in 24th March, 2020	1,70,17,995	3.62%	-	-
	Transfer from NXTDIGITAL Limited (Hinduja Ventures Limited) in 26th March, 2020	81,92,089	1.74%	-	-
	At the End of the year			31,56,42,021	67.19%

Top 10 Shareholders (other than promoters / Directors)

SN	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Indusind International Holdings Ltd**				
	At the beginning of the year	7,89,79,303	16.81%	-	-
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			**7,89,79,303**	**16.81%**
2	**Hinduja Power Limited**				
	At the beginning of the year	3,07,86,550	6.55%	-	-
	Date wise Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			**3,07,86,550**	**6.55%**
3	**Everfin Holdings**				
	At the beginning of the year	3,28,14,401	6.987%	-	-
	Transfer during December 2019			(32,81,441)	
	Transfer during January 2020			(65,62,880)	
	At the end of the year			**2,29,70,080**	**4.89%**
4	**Hinduja Automotive Limited**				
	At the beginning of the year	-	-	-	-
	Transfer during December 2019			32,81,441	
	Transfer during January 2020			65,62,880	
	At the end of the year			**98,44,321**	**2.10%**

SN	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	**NXTDIGITAL Limited** (formerly known as Hinduja Ventures Limited)				
	At the beginning of the year	1,62,70,244	3.464%	-	-
	Transfer to Ashok Leyland Limited during March 2020			(81,92,089)	1.744%
	At the end of the year			**80,78,155**	**1.72%**
6	**Aasia Corporation LLP**				
	At the beginning of the year	1,75,07,383	3.728%	-	-
	Transfer to Ashok Leyland Limited during March 2020			(1,70,17,995)	(3.624%)
	At the end of the year			**4,89,388**	**0.104%**
7	**Srikanth Mannepalli**				
	At the beginning of the year	77,188	0.02%	-	-
	Date wise Increase/ Decrease in Shareholding during the year			-	-
	At the end of the year			**77,188**	**0.02%**
8	**Vijaykumar**				
	At the beginning of the year	70,000	0.01%	-	-
	Date wise Increase/ Decrease in Shareholding during the year			-	-
	At the end of the year			**70,000**	**0.01%**
9	**K Venkatesh**				
	At the beginning of the year	15,428	0.00%		
	Allotment – 21st May, 2019	20,000	0.00%	35,428	0.00%
	Allotment – 11th December, 2019	22,500	0.00%	57,928	0.01%
	At the end of the year			**57,928**	**0.01%**

SN	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10	**Rajendra Godara**				
	At the beginning of the year	52,500	0.01%	-	-
	Date wise Increase/ Decrease in Shareholding during the year			-	-
	At the End of the year			**52,500**	**0.01%**
	Pramod Kumar K				
	At the beginning of the year	52,500	0.01%	-	-
	Date wise Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the End of the year			**52,500**	**0.01%**

Shareholding of Director and KMP

SN	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Nagarajan .S**				
	At the beginning of the year	20,83,375	0.44%	-	-
	Date wise Increase/ Decrease in Shareholding during the year			-	-
	At the end of the year			**20,83,375**	**0.44%**
2	**Sudhanshu Kumar Tripathi**				
	At the beginning of the year	65,830	0.01%	-	-
	Date wise Increase/ Decrease in Shareholding during the year			-	-
	At the End of the year			**65,830**	**0.01%**
3	**Sachin Pillai**				
	At the beginning of the year	2,15,833	0.05%	-	-
	Allotment – 23-Sep-2019	10,000	0.00%	2,25,833	0.05%
	At the end of the year			**2,25,833**	**0.05%**

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

INR in Lakhs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	14,28,148	2,49,638	-	16,77,786
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	16,210	6,711	-	22,921
Total (i+ii+iii)	**14,44,358**	**2,56,349**	**-**	**17,00,707**
Change in Indebtedness during the financial year				
* Addition	6,26,500	4,52,500	-	10,79,000
* Reduction	5,03,765	5,77,261	-	10,81,026
Net Change	**1,22,735**	**(1,24,761)**	**-**	**(2,026)**
Indebtedness at the end of the financial year				
i) Principal Amount	15,55,469	1,24,579	-	16,80,048
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	11,624	7,009	-	18,633
Total (i+ii+iii)	**15,67,093**	**1,31,588**	**-**	**16,98,681**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: INR in Lakhs

SN	Particulars			Total
	Name	**S Nagarajan**	**Sachin Pillai**	
	Designation	**Executive Vice Chairman**	***Managing Director and Chief Executive Officer [11-2-2020 to 31-3-2020]**	
1	Gross salary	378.00	38.72	416.72
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	342.00	35.83	377.83
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	13.09	2.50	15.59
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Contribution to Provident Fund	22.91	0.39	23.30
	Total (A)	**378.00**	**38.72**	**416.72**

**Note - Mr Sachin Pillai was appointed as Managing Director and Chief Executive Officer w.e.f. 11th February, 2020 for a term of five years. However, no revision in remuneration has been made during FY 2019-20 for him.*

B. Remuneration to other directors: INR in Lakhs

SN	Particulars of Remuneration	Names of the Directors					Total Amount
		Mr. G S Sundararajan	**Mr. R S Sharma**	**Mr. Debabrata Sarkar**	**Ms Manju Agarwal**	**Prof. Dr. Andreas Biagosch**	
1	Independent Director - Fee for attending board /committee meetings	8.50	9.00	9.00	12.00	5.50	44.00
	- Commission	15.63	16.26	16.26	17.48	22.26	87.89
	- Others, please Specify	-	-	-	-	-	-
	Total (1)	**24.13**	**25.26**	**25.26**	**29.48**	**27.76**	**131.89**

INR in Lakhs

SN	Particulars of Remuneration	Particulars of Directors				Total Amount
		Mr. Dheeraj Hinduja	**Mr. Gopal Mahadevan**	**Mr. Sudhanshu Tripathi**	**Mr. Atul Kapur***	
2	Other Non-Executive Directors - Fee for attending board/committee meetings	5.50	10.50	6.50	-	22.50
	- Commission	48.04	16.26	16.17	-	80.47
	- Others, please specify	-	-	-		-
	Total (2)	**53.54**	**26.76**	**22.67**	**-**	**102.97**
	Total Managerial Remuneration (1) + (2)					**234.86**

**Resigned w.e.f. 3rd December, 2019*

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

INR in Lakhs

SN	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr. Sachin Pillai CEO*	Mr. Kishore Kumar Lodha CFO	Mr. B Shanmuga sundaram CS	
1	Gross salary	244.71	100.85	44.52	390.08
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	226.41	89.03	39.00	354.44
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	15.81	7.84	3.84	27.49
	(c) Profits in lieu of salary u/s 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit				
	- others, specify	-	-	-	-
5	Contribution to Provident Fund	2.49	3.98	1.68	8.15
	Total	**244.71**	**100.85**	**44.52**	**390.08**

**Note - Mr Sachin Pillai was appointed as Managing Director and Chief Executive Officer w.e.f. 11th February, 2020 for a term of five years. However, no revision in remuneration has been made during FY 2019-20 for him. He was Chief Executive Officer from 1st April, 2019 to 10th February, 2020.*

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	Nil				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil				
Punishment					
Compounding					

Note: There has been no penalty imposed by RBI or other Regulators during the year ended 31st March, 2020

Annexure I
REMUNERATION POLICY

1. Objective

The objective of Hinduja Leyland Finance Limited's Remuneration Policy is to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of the stakeholders of the Company.

2. The Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("Committee") is responsible for formulating and making the necessary amendments to the Remuneration Policy for the Directors, Key Managerial Personnel (KMP) and Senior Executives of the Company from time to time.

3. Remuneration for Non-Executive Directors

Non-Executive Directors ("NED") are remunerated by way of Sitting Fee for each meeting of the Board/ Committees of the Board attended by them and at an appropriate time in the evolution of the Company, an annual commission on the profits of the Company. Commission to respective NED will be determined on the basis of an objective criteria discussed and agreed upon by the Committee Members unanimously. NEDs are reimbursed of any out of pocket expenses incurred by them for the purpose of the Company.

4. Remuneration for Executive Directors, Key Managerial Personnel (KMP) and Senior Executives

The following elements are taken into consideration for determining the Remuneration of Executive Directors, KMP and Senior Executives:

- The remuneration policy reflects a balance amongst the interests of the Company's main stakeholders, as well as a balance between the Company's short-term and long-term strategy. As a result, the structure of the remuneration package for the Directors, KMP and Senior Executives is designed to balance short-term operational performance with the medium and long-term objective of creating sustainable value within the Company, while taking into account the interests of its stakeholders. The Company strives for a high performance in the field of sustainability and aims to maintain a good balance between economic gain, respect for people and concern for the environment.
- To ensure that highly skilled and qualified KMP/Senior Executives can be attracted and retained, the Company aims for a total remuneration level that is comparable to levels provided by other companies that are similar to the Company in terms of size and complexity.
- In designing and setting the levels of remuneration for the Directors, KMP and Senior Executives, the Committee also takes into account the relevant statutory provisions and provisions of corporate governance regulations, societal and market trends and the interests of stakeholders.
- The Company's policy is to offer the Directors, KMP and Senior Executives a total compensation comparable to the peer group.

Total Compensation (TC) The total compensation of the Managing Director and Senior Executives consists of the following components:

1. Base salary
2. Variable income –
   - Annual Performance Pay (APP)
   - Performance-related Long-Term Incentive Plan (LTIP) and / or ESOPs

Base salary

On joining the Company, the Managing Director, KMP and Senior Executives receive a base salary comparable to the peer group. Every year, base salary levels are reviewed by the Committee.

Variable income

The variable income part of remuneration consists of APP and LTIP/ ESOPs. The distribution between APP and LTIP for (on target) performance aims to achieve a proper balance between short-term result and long-term value creation. The parameters relating to the various elements of the variable income part of the remuneration are established and where necessary adjusted by and at the discretion of the Committee, taking into account the general rules and principles of the remuneration policy itself.

The targets are determined each year by the Committee in consultation with the respective Director/KMP / Executive, based on historical performance, the operational and strategic outlook of the Company in the short term and expectations of the Company's management and stakeholders, among other things. The targets contribute to the realization of the objective of long-term value creation.

It is one of the long-term objectives to reach the proportion of variable compensation up to 50% of the total compensation.

5. Remuneration for other Employees

Remuneration of middle and lower level employees of the Company consists entirely of fixed pay which is reviewed on an annual basis. Increase in the remuneration of employees is effected based on an annual review taking into account performance of the employee and the performance of the Company.

6. Employee Stock Options

Senior Executives are rewarded with stock options in order to encourage harmonious efforts to improve enterprise value. The quantum of stock options is determined by the Board on the recommendations of the Nomination and Remuneration Committee, taking into account the potential of the Executive and his / her criticality to the Company's growth and performance.

7. Alignment of Remuneration

The Committee strives to achieve that the remunerations of the Directors, Senior Executives, Middle and lower level employees of Hinduja Leyland Finance Limited are aligned to each other.

8. Term of Appointment

Term of Managing Director is generally for a period of 3 years and renewed for similar periods from time to time. The term of the other employees, generally is up to the age of superannuation. However, Company also employs contractual employees as 'consultants' for shorter periods on need basis.

9. Post-Retirement Benefits

All the executive directors and employees are entitled for retirement benefits such as provident fund, superannuation fund and gratuity.

10. Severance Arrangements

Contracts of employment with Executive Directors and regular employees, provide for compensation of up to 3 months' pay or advance notice of similar period for cessation from services of the Company.

On behalf of the Board of Directors

Place: Chennai
Date: 20th June, 2020

Dheeraj G Hinduja
Chairman

Annexure J

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2019-20

S. No.	Particulars	Details
1)	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	CSR Policy of the Company specifies the activities to be undertaken by the Company as recommended by the CSR Committee and approved by the Board of Directors in such projects or programs relating to activities specified in Schedule VII of the Act. The Company's CSR Policy has been uploaded on the website of the Company under the web-link www.hindujaleylandfinance.com
2)	The composition of the CSR Committee	Mr. Dheeraj G Hinduja –Chairman Mr. S. Nagarajan - Member Mr. Sudhanshu Tripathi - Member Prof. Dr. Andreas Biagosch – Member (Independent Director)
3)	Average net profit of the company for last three financial years	Rs 31, 880 Lakhs
4)	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs 637.60 Lakhs
5)	Details of CSR spent during the financial year:	Rs 721.64 Lakhs
	a) Total amount to be spent for the financial year 2019-20	Rs 637.60 Lakhs
	b) Amount unspent, if any	Rs NIL

5 c) Manner in which the amount spent during the financial year is detailed below:

INR in Lakhs

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.No.	**CSR project or activity Identified**	**Sector in which the project is covered**	**Projects or Programs 1) local area or other 2) specify the State and district where projects or programs was undertaken**	**Amount outlay (budget) project or programswise.**	**Amount Spent on the Projects or Programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads**	**Cumulative Expenditure Up to the Reporting Period**	**Amount Spent direct Or through Implementing Agency (with details of implementing agency)**
1	Road to School	Children Education	Sankagiri, Salem District, TN	561.62	561.62	561.62	Learning Links Foundation
2	Lake Restoration	Conservation of natural resources	Thazambur Lake	58.72	58.72	58.72	Care Earth Trust
3	Watershed Project	Conservation of natural resources	Jawahar, Maharastra	44.53	44.53	44.53	Hinduja Foundation
4	Single Teacher School	Children Education	Local area	5.00	5.00	5.00	Swami Vivekananda Rural Development Society
5	Water Project	Conservation of natural resources	Nasirabad, Rajasthan	38.96*	11.69	11.69	Advit Foundation -
6	Revival and Restoration of Water Harvesting	Conservation of natural resources	Bhilwara and Ajmer, Rajasthan	40.08	40.08	40.08	Ambuja Cement Foundation -
	Total			**748.91**	**721.64**	**721.64**	

**Balance amount of Rs 27.27 lakhs would be incurred during FY 2020-21*

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in the Board's report

For FY 2019-20, the Company has spent Rs 721.64 lakhs as against the required sum of Rs 637.60 lakhs and thus had incurred an excess spend of Rs 84.04 lakhs.

7. Responsibility Statement by the Corporate Social Responsibility Committee

We hereby state that implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

On behalf of the Board of Directors

Place: Chennai	**S Nagarajan**	**Dheeraj G Hinduja**
Date: 20th June, 2020	*Executive Vice Chairman*	*Chairman - CSR Committee*

INDEPENDENT AUDITOR'S REPORT

To The Members of Hinduja Leyland Finance Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Hinduja Leyland Finance Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 49 to the Standalone Financial Statements in which the Company describes the uncertainties arising from the COVID-19 pandemic. Our report is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Description of Key Audit Matters

<table>
<tr><th>Key Audit Matters</th><th>Auditor's Response</th></tr>
<tr><td>

1. Impairment of Financial Assets

Management estimates impairment provision using Expected Credit loss model (ECL) for the loan exposure. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are:

- Timely identification and classification of the impaired loans, and
- Determination of probability of defaults (PD) and estimation of loss given defaults (LGD) based on the value of collaterals and relevant factors

The estimation of Expected Credit Loss on financial instruments involve significant judgements and estimates. Following are points with increased level of audit focus:

- Classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109;
- Accounting interpretations, modelling assumptions and data used to build and run the models;
- Measurement of individual borrowers' capacity including COVID-19 impact assessment of multiple economic scenarios;
- Inputs and Judgements used in determination of management overlay at various asset stages considering the current uncertain economic environment with the range of possible effects unknown to the country arising out of the COVID-19 pandemic which also include considering the impact of recent RBI's COVID-19 regulatory circular and
- The disclosures made in financial statements for ECL especially in relation to judgements and estimates made by the Management in determination of the ECL. Refer note 46 to the standalone financial statements.

</td><td>

Principal audit procedures performed:

- We examined Board Policy approving methodologies for computation of ECL that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures, commensurate with the size, complexity and risk profile specific to the Company. The parameters and assumptions used and their rationale and basis are clearly documented.
- We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates.
- These controls, among others, included controls over the allocation of assets into stages including management's monitoring of stage effectiveness, model monitoring including the need for post model adjustments, model validation, credit monitoring, multiple economic scenarios, individual provisions and recording of journal entries and disclosures.
- We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of 31 March 2020 by reconciling it with the balances as per loan balance register and loan commitment report as on that date.
- Engage independent modelling specialist to test the methodology and reasonableness of assumptions;
- We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD Test of details over calculation of impairment allowance for assessing completeness and accuracy of data
- For exposure determined to be individually impaired, we tested a samples of loans and advances and examined management's

</td></tr>
</table>

<table>
<tr><th>Key Audit Matters</th><th>Auditor's Response</th></tr>
<tr><td></td><td>estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations.
• We performed an overall assessment of the ECL provision levels at each stage including management's assessment on COVID-19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment.
• We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.</td></tr>
<tr><td>2. Valuation of Financial Instruments
Financial Instruments carried at Fair value and measured at fair value through other comprehensive income, account for a significant part of the Company's assets.
The valuation of the Company's financial instruments is based on a combination of market data and valuation models which often require significant management judgement. The most significant judgements are:
• Assessing the fair value of financial instruments based on the significant degree of judgement exercised by management in determining the inputs used in the valuation.
Refer Note 2 and 45 of the standalone financial statements for accounting policy, valuation and the related disclosures in respect of the financial instruments.</td><td>Our audit procedures include:
• Obtain an understanding of the fair valuation methodology;
• Obtained valuation reports, considered by the Company;
• Engaging independent valuation specialist to assist us in the evaluation of valuation models used by the Company.
• Testing the design and operating effectiveness of controls over the
(1) management's methodology for determining Fair Value, including consideration of the current and estimated future economic conditions
(2) completeness and accuracy of information used in determining Fair Value.</td></tr>
</table>

Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the standalone financial statements and our auditors' report thereon.

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

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

Management's Responsibility for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 standalone 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.

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

Auditors' Responsibility for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 standalone 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 standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 standalone 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 auditors' 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The comparative financial information of the Company for the year ended 31st March, 2019 prepared in accordance with Ind AS included in these standalone financial statements have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information dated 22nd May, 2019 expressed an unmodified opinion.

Our opinion on the standalone financial statements is not modified in respect of the above matter on the comparative financial information.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity 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.

   e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements(Refer Note 38 to Standalone financial statements)

      ii. The Company did not have any long-term contracts including derivative contracts, as at the year-end for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

G. K. Subramaniam
(Partner)
(Membership No. 109839)
UDIN:20109839AAAAIZ6033

Place: Mumbai
Date: 20th June, 2020

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Hinduja Leyland Finance Limited** (“the Company”) as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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, 2020, based on the criteria for internal financial control over financial reporting 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.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

G. K. Subramaniam
(Partner)
(Membership No. 109839)
UDIN:20109839AAAAIZ6033

Place: Mumbai
Date: 20th June, 2020

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of fixed assets

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The Company has a regular programme of physical verification of its fixed assets and accordingly all the fixed assets are verified during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification.

c) With respect to immovable property of land which is freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deed of such immovable property is held in the name of the Company as at the balance sheet date.

(ii) As explained to us, the company does not have inventory. Accordingly, the provisions of Clause 3(ii) of the Order are not applicable to the Company.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.

(vi) According to the information and explanations given to us, the Company is not required to maintain cost records under sub-section (1) of Section 148 of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

a) The Company has been regular in depositing undisputed statutory dues, including Provident fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, Works Contract Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

b) There were no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and services Tax, Customs Duty, Works Contract Tax, cess and other material statutory dues in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.

c) Details of dues of Value Added Tax which have not been deposited as on 31st March, 2020 on account of disputes are given below:

INR in Lakhs

Name of Statute	Nature of Dues	Forum wher Dispute is Pending	Period to which the Amount Relates	Amount Involved
Rajasthan VAT Act, 2003	Value added Tax	High Court of Judicature at Rajasthan	2011-12 to 2014-15	40,57,000
Odisha VAT Act, 2004	Value added Tax	High Court of Judicature at Orissa	April 2012 to March 2013	39,000
Andhra Pradesh VAT Act, 2005	Value added Tax	High Court of Judicature at Hyderabad	April 2011 to March 2012	17,55,000
Karnataka VAT Act, 2003	Value added Tax	High Court of Judicature at Bangalore, Karnataka	2012-13 to 2016-17	1,21,16,000

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks or dues to debenture holders. The Company has not taken loans or borrowings from government and financial institutions.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has made private placement of non-convertible debentures during the year under review.

In respect of the above issue, we further report that:

a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and

b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with the directors and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is required to be registered under section 45-I of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

G. K. Subramaniam
(Partner)
(Membership No. 109839)
UDIN:20109839AAAAIZ6033

Place: Mumbai
Date: 20th June, 2020

Standalone Balance Sheet as at 31st March, 2020

INR in Lakhs

Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
ASSETS			
Financial assets			
Cash and cash equivalents	5	82,879	24,227
Bank balance other than cash and cash equivalents	6	14,610	11,840
Receivables	7		
(i) Trade receivables		-	-
(ii) Other receivables		22,540	15,631
Loans	8	17,70,708	16,88,684
Investments	9	77,684	1,29,870
Other financial assets	10	89,788	1,36,115
		20,58,209	**20,06,367**
Non-financial assets			
Current tax assets (net)		7,130	7,214
Property, plant and equipment	11	4,969	4,901
Capital work-in-progress		116	-
Other intangible assets	11A	59	30
Right of use assets	11B	2,650	-
Other non-financial assets	12	2,929	1,557
		17,853	**13,702**
Total Assets		**20,76,062**	**20,20,069**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
Trade payables	13	-	-
(i) Total outstanding dues of micro enterprises and small enterprises			
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,957	314
Debt securities	14	88,300	2,05,615
Borrowings (other than debt securities)	15	14,78,793	13,51,684
Deposits	16	162	162
Subordinated liabilities	17	1,31,588	1,43,408
Other financial liabilities	18	42,171	44,864
		17,42,971	**17,46,047**
Non-financial liabilities			
Provisions	19	291	217
Deferred tax liabilities (net)	33	7,722	779
Other non-financial liabilities	20	443	642
		8,456	**1,638**
EQUITY			
Equity share capital	21	46,975	46,967
Other equity	22	2,77,660	2,25,417
		3,24,635	**2,72,384**
Total Liabilities and Equity		**20,76,062**	**20,20,069**

The notes referred to above form an integral part of these standalone financial statements

As per our report of even date
for Deloitte Haskins & Sells
Chartered Accountants
Firm's registration number: 008072S

G.K.Subramaniam
Partner
Membership No: 109839

Place : Mumbai
Date : 20th June, 2020

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993TN2008PLC069837

Dheeraj G Hinduja
Chairman
DIN No : 00133410

S Nagarajan
Executive Vice Chairman
DIN No : 00009236

Sachin Pillai
Managing Director & CEO
DIN No : 06400793

Kishore Kumar Lodha
Chief Financial Officer

B Shanmugasundaram
Company Secretary
Membership No: F5949

Place : Chennai
Date : 20th June, 2020

Standalone Statement of Profit and Loss for the year ended 31st March, 2020

INR in Lakhs

Particulars	Note No.	Year Ended 31st March 2020	Year Ended 31st March 2019
Revenue from operations			
Interest income	23	2,67,866	2,24,285
Fees and commission income	24	5,315	4,768
Net gain on derecognition of financial instruments	25	18,751	16,816
Other income	26	816	10,195
Total revenue from operations		**2,92,748**	**2,56,064**
Expenses			
Finance costs	27	1,55,397	1,32,123
Fees and commission expense	28	8,722	6,229
Impairment on financial assets	29	61,687	56,696
Employee benefits expenses	30	13,083	10,390
Depreciation and amortization	31	1,052	662
Others expenses	32	8,904	7,679
Total expenses		**2,48,845**	**2,13,779**
Profit before tax		**43,903**	**42,285**
Tax expense:			
Current tax		11,157	13,017
Deferred tax	33	3,549	1,704
		14,706	**14,721**
Net profit for the year		**29,197**	**27,564**
Other comprehensive income			
(A) (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(76)	145
(ii) Income tax relating to items that will not be reclassified to profit or loss		(70)	(50)
(B) (i) Items that will be reclassified to profit or loss			
Gain on fair valuation of loans		26,482	34,674
(ii) Income tax relating to items that will be reclassified to profit or loss		(3,326)	(12,120)
Total other comprehensive income		**23,010**	**22,649**
Total comprehensive income		**52,207**	**50,213**
Earnings per equity share (face value Rs.10 each)	**34**		
- Basic (in Rs.)		6.22	6.01
- Diluted (in Rs.)		6.21	6.01

The notes referred to above form an integral part of these standalone financial statements.

As per our report of even date
for Deloitte Haskins & Sells
Chartered Accountants
Firm's registration number: 008072S

G.K.Subramaniam
Partner
Membership No: 109839

Place : Mumbai
Date : 20th June, 2020

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993TN2008PLC069837

Dheeraj G Hinduja
Chairman
DIN No : 00133410

S Nagarajan
Executive Vice Chairman
DIN No : 00009236

Sachin Pillai
Managing Director & CEO
DIN No : 06400793

Kishore Kumar Lodha
Chief Financial Officer

B Shanmugasundaram
Company Secretary
Membership No: F5949

Place : Chennai
Date : 20th June, 2020

Standalone cash flow statement for the year ended 31st March, 2020

INR in Lakhs

Particulars	Note No.	Year Ended 31st March 2020	Year Ended 31st March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before tax		**43,903**	**42,285**
Adjustments for:			
Depreciation and amortization		1,052	662
Provision for employee benefits		(2)	(27)
Provision for expected credit loss and amounts written off		55,502	55,929
Impairment loss on other receivables		2,151	767
Share based payment expense		-	105
Amortisation of discount on commercial papers		7,788	8,013
Amortisation of ancillary costs relating to borrowings		2,168	1,295
Operating cash flow before working capital changes		**1,12,562**	**1,09,029**
Adjustments for (Increase)/Decrease in operating assets:			
Other receivables		(9,060)	(9,956)
Loans		(1,11,046)	(4,07,213)
Other non- financial assets		(1,372)	(578)
Other financial assets		46,327	(17,685)
Adjustments for Increase / (Decrease) in operating liabilities:			
Trade payables		1,643	223
Other financial liabilities		(2,693)	7,031
Other non financial liabilities		(199)	20
Net cash (used in) operations		**36,162**	**(3,19,129)**
Taxes paid (net)		(11,073)	(17,097)
Net cash (used in) operating activities (A)		**25,089**	**(3,36,226)**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Investment in pass through securities (net)		24,146	(39,300)
Investment in redeemable non-convertible debentures (net)		32,040	14,781
Investment in equity shares of subsidiary company		(4,000)	(3,000)
Bank deposits (having original maturity of more than three months)		(2,770)	3,432
Purchase of fixed assets including capital work-in-progress and right of use assets		(3,915)	(844)
Net cash (used in) investing activities (B)		**45,501**	**(24,931)**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of equity shares including securities premium (net)		44	20,044
Proceeds from borrowings		4,79,800	6,85,480
Repayments of borrowings		(4,93,957)	(3,77,125)
Proceeds from working capital loan / cash credit and commercial paper (net)		2,175	44,406
Net cash from financing activities (C)		**(11,938)**	**3,72,805**
Net increase in cash and cash equivalents (A+B+C)		58,652	11,648

INR in Lakhs

Particulars	Note No.	Year Ended 31st March 2020	Year Ended 31st March 2019
Cash and cash equivalents at the beginning of the year		**24,227**	**12,579**
Cash and cash equivalents at the end of the year		**82,879**	**24,227**
Components of cash and cash equivalents	**5**		
Cash and cheques on hand		5,981	10,035
Balances with banks		76,898	14,192
		82,879	**24,227**
Operational cash flows from interest and dividends			
Interest paid		1,59,686	1,28,420
Interest received		11,982	11,299

The notes referred to above form an integral part of these standalone financial statements

As per our report of even date
for Deloitte Haskins & Sells
Chartered Accountants
Firm's registration number: 008072S

G.K.Subramaniam
Partner
Membership No: 109839

Place : Mumbai
Date : 20th June, 2020

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993TN2008PLC069837

Dheeraj G Hinduja
Chairman
DIN No : 00133410

S Nagarajan
Executive Vice Chairman
DIN No : 00009236

Sachin Pillai
Managing Director & CEO
DIN No : 06400793

Kishore Kumar Lodha
Chief Financial Officer

B Shanmugasundaram
Company Secretary
Membership No: F5949

Place : Chennai
Date : 20th June, 2020

Statement of changes in equity for the year ended 31st March, 2020

INR in Lakhs

Particulars	Number of shares	Amount
A EQUITY SHARE CAPITAL		
Balance as at 1st April, 2018	**45,64,37,968**	**45,644**
Change in equity share capital during the year		
Add: Issued during the year	1,32,33,022	1,323
Balance as at 31st March, 2019	**46,96,70,990**	**46,967**
Change in equity share capital during the year		
Add: Issued during the year	81,500	8
Balance as at 31st March, 2020	**46,97,52,490**	**46,975**

B OTHER EQUITY	Reserves and Surplus					
	Statutory Reserves	Securities premium	Other reserves - Employee stock option outstanding account	Retained earnings	Other items of other comprehensive income	Total
Balance as at 1st April, 2018	**17,903**	**77,490**	**188**	**60,769**	**28**	**1,56,378**
Share based expenses	-	-	105	-	-	105
Premium on issue of share capital	-	18,721	-	-	-	18,721
Profit for the year	-	-	-	27,564	-	27,564
Transfer to / from reserve	5,513	-	-	(5,513)	-	-
Other comprehensive income (net of tax)	-	-	-	-	22,649	22,649
Balance as at 31st March, 2019	**23,416**	**96,211**	**293**	**82,820**	**22,677**	**2,25,417**
Share based expenses	-	-	-	-	-	-
Premium on issue of share capital	-	36	-	-	-	36
Profit for the year	-	-	-	29,197	-	29,197
Transfer to / from reserve	5,839	-	-	(5,839)	-	-
Other comprehensive income (net of tax)	-	-	-	-	23,010	23,010
Balance as at 31st March, 2020	**29,255**	**96,247**	**293**	**1,06,178**	**45,687**	**2,77,659**

The notes referred to above form an integral part of these standalone financial statements.

As per our report of even date
for Deloitte Haskins & Sells
Chartered Accountants
Firm's registration number: 008072S

G.K.Subramaniam
Partner
Membership No: 109839

Place : Mumbai
Date : 20th June, 2020

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993TN2008PLC069837

Dheeraj G Hinduja
Chairman
DIN No : 00133410

S Nagarajan
Executive Vice Chairman
DIN No : 00009236

Sachin Pillai
Managing Director & CEO
DIN No : 06400793

Kishore Kumar Lodha
Chief Financial Officer

B Shanmugasundaram
Company Secretary
Membership No: F5949

Place : Chennai
Date : 20th June, 2020

Notes to standalone financial statements for the year ended 31st March, 2020

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

1 Reporting entity

Hinduja Leyland Finance Limited ('the Company'), incorporated on 12th November, 2008 and headquartered in Chennai, India is a Non Banking Finance Company engaged in providing asset finance. The Company is a systemically important Non Deposit taking Non Banking Finance Company (ND-NBFC) as defined under Section 45 – IA of the Reserve Bank Of India Act, 1934. The Company received the certificate of registration dated 22nd March, 2010 from the Reserve Bank of India ("RBI") to carry on the business of Non Banking Financial Institution without accepting public deposits ("NBFC-ND"). Subsequently the Company was granted Asset Finance Company status pursuant to certificate of registration received from RBI dated 12th May, 2014 with registration number N-07.00782.

2 Basis of preparation

2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) and the relevant provisions of the Companies Act, 2013 (the "Act") (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Details of the Company's accounting policies are disclosed in Note 3.

2.2 Presentation of financial statements

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented separately.

Financial assets and financial liability are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

(i) The normal course of business

(ii) The event of default

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

2.4 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability that market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value in use in Ind AS 36.

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

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

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

- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

Items	Measurement basis
Certain financial assets	Fair value through other comprehensive income
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

2.5 Use of estimates and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

In the process of applying the Company's accounting policies, management has made judgements, which have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) Business model assessment

Classification and measurement of financial assets depends on the results of business model and the solely payments of principal and interest ("SPPI") test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

iii) Effective Interest Rate ("EIR") method

The Company's EIR methodology, as explained in Note 3.1(A), recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

iv) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's expected credit loss ("ECL") calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ("LTECL") basis.

b) Development of ECL models, including the various formulas and the choice of inputs.

c) Determination of associations between macroeconomic scenarios and economic inputs, such as gross domestic products, lending interest rates and collateral values, and the effect on probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD").

d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

3 Significant accounting policies

3.1 Recognition of Interest Income

A. EIR method

Under Ind AS 109, interest income is recorded using the effective interest rate method for all financial instruments measured at amortised cost and financial instrument measured at Fair value through other comprehensive income ('FVOCI'). The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

B. Interest income

The Company calculates interest income by applying EIR to the gross carrying amount of financial assets other than credit impaired assets.

When a financial asset becomes credit impaired and is, therefore, regarded as 'stage 3', the Company calculates interest income on the net basis. If the financial asset cures and is no longer credit impaired, the Company reverts to calculating interest income on a gross basis.

3.2 Financial instrument - initial recognition

A. Date of recognition

Debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at Fair value through profit and loss (FVTPL), transaction costs are added to, or subtracted from this amount.

C. Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

i) Amortised cost

ii) FVOCI

iii) FVTPL

3.3 Financial assets and liabilities

A. Financial assets

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.

b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.

c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

d) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

SPPI test

As a second step of its classification process, the Company assesses the contractual terms of financial to identify whether they meet SPPI test.

Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows

i) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since, the loans and advances are held to sale and collect contractual cash flows, they are measured at FVTOCI.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

iv) Investment in subsidiaries

The Company has accounted for its investments in subsidiaries at cost.

B. Financial liability

i) Initial recognition and measurement

All financial liability are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.

3.4 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities during the year ended 31st March, 2020 and 31st March, 2019.

3.5 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for expected credit loss (ECL) measurement purposes.

B. Derecognition of financial assets other than due to substantial modification

i) Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss.

Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109. Also, the Company recognises servicing income as a percentage of interest spread over tenure of loan in cases where it retains the obligation to service the transferred financial asset.

ii) Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

3.6 Impairment of financial assets

A. Overview of ECL principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1:
When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2 or stage 3.

Stage 2:
When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL. Stage 2 loans also includes facilities where the credit risk has improved and the loan has been reclassified from stage 3

Stage 3:
Loans considered credit impaired are the loans which are past due for more than 90 days. The Company records an allowance for life time ECL.

Loan commitments:

When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down

B. Calculation of ECLs

The mechanics of ECL calculations are outlined below and the key elements are, as follows:

PD:
Probability of Default ("PD") is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

EAD:
Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest.

LGD:
Loss Given Default ("LGD") is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

The mechanics of the ECL method are summarised below:

Stage 1:
The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2:
When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3:
For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

C. Loans and advances measured at FVOCI

The ECLs for loans and advances measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

D. Forward looking information

In its ECL models, the Company relies on a broad range of forward looking macro parameters and estimated the impact on the default at a given point of time.

i) Gross fixed investment (% of GDP)

ii) Oil price

iii) Interest rates

3.7 Impairment of non-financial assets

The Company determines periodically whether there is any indication of impairment of the carrying amount of its non-financial assets. The recoverable amount (higher of net selling price and value in use) is determined for an individual asset, unless the asset does not generate cash inflow that are largely independent of those from other assets or group of assets. The recoverable amounts of such asset are estimated, if any indication exists and impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

3.8 Write-offs

Financial assets are written off when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss.

3.9 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date;

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and

Level 3 financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole.

3.10 Recognition of revenue

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

A. Dividend income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

B. Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit and loss, unless the increase is in line with expected general inflation, in which case lease income is recognised based on contractual terms.

C. Other interest income

Other interest income is recognised on a time proportionate basis.

D. Fees and commission income

Fees and commission income such as stamp and document charges, guarantee commission, service income etc. are recognised on point in time basis.

E. Income from other services

Income from other services are recognised on a time proportionate basis.

3.11 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss.

3.12 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation on property, plant and equipment is provided using the straight line method over the estimated useful lives of the assets, and is generally recognised in the statement of profit and loss.

The Company follows estimated useful lives which are given under Part C of the Schedule II of the Companies Act, 2013. The estimated useful lives of items of property, plant and equipment for the current period is as follows:

Asset category	Estimated Useful life
Buildings	60 years
Furniture and fittings	10 years
Office equipment	5 years
Servers and computers	Computers 3 years, Servers 6 years
Vehicles	Motor Cars 8 years, Motor Cycles 10 years
Leasehold improvements	Primary lease period or three years, whichever is earlier

Assets individually costing less than or equal to Rs. 5,000/- are fully depreciated in the year of acquisition. The Company has estimated a Nil residual value at the end of the useful life for all block of assets. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

3.13 Intangible assets

i. Intangible assets

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

Asset category	Estimated Useful life
Computer softwares	5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3.14 Employee benefits

i. Post-employment benefits

Defined contribution plan

The Company's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Defined benefit plans

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan (‘the asset ceiling’). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service (‘past service cost’ or ‘past service gain’) or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

ii. Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

iii. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

iv. Stock based compensation

The grant date fair value of equity settled share based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. The company revisits its estimate each year of the number of equity instruments expected to vesting.

3.15 Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are neither recognised not disclosed in the financial statements.

3.16 Leases

Operating lease:

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–

a) the use of an identified asset,

b) the right to obtain substantially all the economic benefits from use of the identified asset, and

c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of profit and loss.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease liability has been presented in Note 18 "Other Financial Liabilities" and ROU asset has been presented in Note 11B "Property, Plant and Equipment" and lease payments have been classified as financing cash flows.

Finance lease:

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's policy on borrowing costs

3.17 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.18 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the effective interest method.

Interest expenses are calculated using the EIR and all other Borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

3.19 Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.20 Segment reporting- Identification of segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

3.21 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after (Before other Comprehensive Income) tax attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti- dilutive.

3.22 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non–cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions. Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

4 STANDARD ISSUED BUT NOT YET EFFECTIVE

No new standards as notified by Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules are effective for the current year.

INR in Lakhs

Particulars	As at 31st March 2020	As at 31st March 2019
5 CASH AND CASH EQUIVALENTS		
Cash on hand	1,316	3,938
Cheques on hand	4,665	6,097
Balances with banks	76,898	14,192
Total	**82,879**	**24,227**
6 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS		
Bank deposits	14,610	11,840
Total	**14,610**	**11,840**

Notes :

a) The bank deposits earn interest at fixed rates.

b) The Company has given fixed deposits as credit enhancement for securitisation transactions entered by it, amounting to Rs 14,336 Lakhs (31st March, 2019 : Rs 11,594 Lakhs).

7 RECEIVABLES		
Trade receivables	-	-
EIS receivables		
Receivables considered good - secured	26,705	17,645
Less: Impairment loss allowance	(4,165)	(2,014)
Total	**22,540**	**15,631**

8 LOANS

INR in Lakhs

Particulars	As at 31st Mar, 2020			As at 31st Mar, 2019		
	At amortised cost	At fair value throug other comprehensive income	Total	At amortised cost	At fair value throug other comprehensive income	Total
A. Based on nature						
Retail loans	9,25,367	6,98,932	16,24,299	9,09,788	6,34,006	15,43,794
Term loans	2,02,546	-	2,02,546	1,55,358	-	1,55,358
Inter-corporate deposits	-	-	-	39,500	-	39,500
	11,27,913	**6,98,932**	**18,26,845**	**11,04,645**	**6,34,006**	**17,38,652**
Less : Impairment loss allowance	(60,171)	4,034	(56,137)	(54,614)	4,646	(49,968)
Total	**10,67,742**	**7,02,966**	**17,70,708**	**10,50,032**	**6,38,652**	**16,88,684**
B. Based on Security						
(i) Secured by tangible assets	11,27,913	6,98,932	18,26,845	10,65,145	6,34,006	16,99,152
(ii) Unsecured	-	-	-	39,500	-	39,500
Total Gross Loans	**11,27,913**	**6,98,932**	**18,26,845**	**11,04,645**	**6,34,006**	**17,38,652**
Less : Impairment loss allowance	(60,171)	4,034	(56,137)	(54,614)	4,646	(49,968)
Total Net Loans	**10,67,742**	**7,02,966**	**17,70,708**	**10,50,032**	**6,38,652**	**16,88,684**
C. Based on region						
(I) Loans in India						
(i) Public Sector	-	-	-	-	-	-
(ii) Others	11,27,913	6,98,932	18,26,845	11,04,645	6,34,006	17,38,652
Total Gross	**11,27,913**	**6,98,932**	**18,26,845**	**11,04,645**	**6,34,006**	**17,38,652**
Less : Impairment loss allowance	(60,171)	4,034	(56,137)	(54,614)	4,646	(49,968)
Total (I)-Net	**10,67,742**	**7,02,966**	**17,70,708**	**10,50,032**	**6,38,652**	**16,88,684**
(II) Loans outside India						
Loans outside India	-	-	-	-	-	-
Total (I) and (II)	**10,67,742**	**7,02,966**	**17,70,708**	**10,50,032**	**6,38,652**	**16,88,684**

Notes :

1 The retail loans above includes loans amounting to Rs 8,519 Lakhs (31st March, 2019: Rs 5,849 Lakhs) where the underlying securities have been repossessed by the Company. The Impairment loss allowance includes expected credit loss provision on the aforesaid loans amounting to Rs 3,013 Lakhs (31st March, 2019: Rs 2,209 Lakhs).

2 Security details

a) Retail loans are secured exposures that are secured by assets hypothecated to the company.

b) Term loans are secured exposures that are secured by assets/ underlying portfolio provided to the company by the borrower.

3 The Company has derecognised certain Financial Assets on account of assignment without recourse. However, the company has retained 10% of the Financial Assets and below are the disclosures of assets and liabilities associated with the continuing involvement in the Financial Assets.

INR in Lakhs

Particulars	As at 31st March 2020	As at 31st March 2019
Carrying amount of the assets that represents the entity's continuing involvement in the derecognised financial assets	59,797	24,491
Carrying amount of the associated liabilities	-	-
Maximum exposure to loss from company's continuing involvement in the dercognised financial assets	59,797	24,491
Fair Value (FV) of the assets that represents the entity's continuing involvement in the derecognised financial assets	64,287	25,651
Fair value of associated liabilities	-	-
Net position at FV	**64,287**	**25,651**
Gain or loss recognised at the date of transfer of the assets	**18,751**	**16,816**

9 INVESTMENTS

Investments in equity instruments of subsidiary, at cost		
Hinduja Housing Finance Limited	19,000	15,000
Investments in equity instruments of associate, at cost		
HLF Services Limited	2	2
Measured at amortised cost		
Investment in debentures (quoted)		
Non-convertible redeemable debentures	7,750	39,790
Investment in debentures (unquoted)		
Non-convertible redeemable debentures	1,507	3,000
Investment in pass-through certificates (unquoted)		
Investment in pass-through certificates	41,425	62,078
Investment in funds (unquoted)		
Investment in funds	8,000	10,000
Gross investments	**77,684**	**1,29,870**
(i) Investments outside India	-	-
(ii) Investments in India	77,684	1,29,870
Gross Investments	**77,684**	**1,29,870**
Less: Allowance for impairment loss	-	-
	77,684	**1,29,870**
Aggregate market value of quoted investments	7,750	39,790

INR in Lakhs

	Particulars	As at 31st March 2020	As at 31st March 2019
10	**OTHER FINANCIAL ASSETS**		
	Receivables from related parties		
	Dues from HLF Services Limited (Associate Company)	5,186	11,359
	Dues from Gulf Ashley Motors Limited (Fellow Subsidiary)	-	713
	Dealer trade advances (Unsecured, considered good)	29,660	85,799
	Employee advances	104	97
	Lease advance	507	744
	Security deposits	70	42
	Other receivables	813	553
	Asset acquired under satisfaction of debt (net of provisions)	53,448	36,808
	Total	**89,788**	**1,36,115**

11 PROPERTY, PLANT AND EQUIPMENT

INR in Lakhs

Particulars	Freehold land*	Buildings	Plant and machinery	Servers and computers	Furniture and fittings	Vehicles	Office equip-ment	Leasehold improve-ments	Total
Cost or deemed cost (gross carrying amount)									
Gross block									
As at 1st April, 2018	2,066	1,639	57	516	289	540	48	137	5,292
Additions	-	-	-	476	166	66	22	112	842
Deletions	-	-	-	5	-	38	-	-	43
As at 31st March 2019	**2,066**	**1,639**	**57**	**987**	**455**	**568**	**70**	**249**	**6,091**
Additions	-	-	-	630	80	46	19	95	870
Deletions	-	175	-	14	-	8	-	-	197
As at 31st March 2020	**2,066**	**1,464**	**57**	**1,603**	**535**	**606**	**89**	**344**	**6,764**
Accumulated depreciation									
As at 1st April 2018	**-**	**83**	**14**	**196**	**62**	**161**	**17**	**44**	**577**
Depreciation for the year	-	88	21	228	75	150	15	77	654
Deletion	-	-	-	3	-	38	-	-	41
As at 31st March 2019	**-**	**171**	**35**	**421**	**137**	**273**	**32**	**121**	**1,190**
Depreciation for the year		33	-	341	69	88	26	82	639
Deletion		19	-	7	-	8	-	-	34
As at 31st March 2020	**-**	**185**	**35**	**755**	**206**	**353**	**58**	**203**	**1,795**
Carrying amount (net)									
As at 31st March 2019	2,066	1,468	22	566	318	295	37	128	4,901
As at 31st March 2020	**2,066**	**1,279**	**22**	**848**	**329**	**253**	**31**	**141**	**4,969**

* Land having a value of Rs 350 lakhs situated in Koodapakkam has been issued as security for issue of non-convertible debentures.

11A INTANGIBLE ASSETS

INR in Lakhs

Particulars	Computer Softwares	Total
Gross block		
As at 1st April 2018	53	53
Additions	3	3
Deletion	-	-
As at 31st March 2019	**56**	**56**
Additions	44	44
Deletion	-	-
As at 31st March 2020	**100**	**100**
Accumulated amortisation		
As at 1st April 2018	19	19
Amortisation for the year	7	7
Deletion	-	-
As at 31st March 2019	**26**	**26**
Amortisation for the year	15	15
Deletion	-	-
As at 31st March 2020	**41**	**41**
Carrying amount (net)		
As at 31st March 2019	30	30
As at 31st March 2020	**59**	**59**

11B RIGHT OF USE ASSET

INR in Lakhs

Particulars	Right of use asset	Total
Cost or deemed cost (gross carrying amount)		
Gross block		
Additions	3,048	3,048
Deletion	-	-
As at 31st March, 2020	**3,048**	**3,048**
Accumulated amortisation		
Amortisation for the year	398	398
Deletion	-	-
As at 31st March 2020	**398**	**398**
Carrying amount (net)		
As at 31st March 2019	-	-
As at 31st March 2020	**2,650**	**2,650**

INR in Lakhs

	Particulars	As at 31st March 2020	As at 31st March 2019
12	**OTHER NON-FINANCIAL ASSETS**		
	Prepaid expenses	1,654	1,557
	Balance receivable from government authorities	1,275	-
	Total	**2,929**	**1,557**
13	**PAYABLES**		
	Trade payables (refer note)		
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,957	314
	Total	**1,957**	**314**

Note: Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2nd October 2006, certain disclosures are required to be made relating to dues to micro, small and medium enterprises (MSME). On the basis of the information and records available with the Management, none of the Company's suppliers are covered under the MSMED and accordingly, disclosure of information relating to principal, interest accruals and payments are not applicable.

	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
	(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
	(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
	(iv) The amount of interest due and payable for the year	-	-
	(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
	(vi) 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	-	-
14	**DEBT SECURITIES**		
	Measured at amortised cost:		
	Secured		
	8,010 (31st March, 2019: 19,360) Redeemable non-convertible debentures (refer note 14.1 & 14.2)	88,300	2,05,615
	Total (A)	**88,300**	**2,05,615**
	Debt securities in India	88,300	2,05,615
	Debt securities outside India	-	-
	Total (B)	**88,300**	**2,05,615**
	Total	**88,300**	**2,05,615**

14.1 Terms of repayment of debt securities:

Redeemable non-convertible debentures are secured by first ranking mortgage of an immovable property in favour of trustees in addition to exclusive charge on hypothecation of loan receivables with a security cover ranging from 105% to 110% as per the terms of issue.

14.2 Out of the debentures issued and outstanding:

a) 3,510 (31st March, 2019: Rs 14,860) debentures were issued with a face value of Rs 1,000,000/-. As at 31st March, 2020 these debentures carry interest rates ranging from 8.55% p.a. to 10.55% p.a. and the redemption period is ranging from 1 year to 5 years from the date of allotment.

b) 4,500 (31st March, 2019: Rs 4,500) debentures were issued with a face value of Rs 1,000,000/-. These debentures carry interest rates ranging from "Base rate of State Bank of India" to "Base rate of State Bank of India + 0.35%" and the redemption period is 5 years from the date of allotment. As at 31st March, 2020, the rate of interest was 8.50% p.a.

The aforesaid debentures are listed at Bombay Stock Exchange.

INR in Lakhs

	Particulars	As at 31st March 2020	As at 31st March 2019
15	**BORROWINGS (OTHER THAN DEBT SECURITIES)**		
	Measured at amortised cost:		
	Secured borrowings		
	Term Loan from banks (refer note 15.1 & 15.3)	14,31,955	12,01,868
	Cash credit and working capital demand loans from banks	46,838	36,875
	Total (A)	**14,78,793**	**12,38,744**
	Unsecured borrowings		
	Commercial papers (refer 15.2)	-	1,12,941
	Total (B)	**-**	**1,12,941**
	Borrowings in India	14,78,793	13,51,684
	Borrowings outside India	-	-
	Total	**14,78,793**	**13,51,684**
	Total (A+B)	**14,78,793**	**13,51,684**

15.1 Secured borrowing

Cash credit and working capital demand loans from banks are secured by pari passu charge on receivables other than those that are specifically charged to the lenders. These facilities carry interest rates ranging from "MCLR of the respective bank per annum" to "MCLR of the respective bank + 1.65% per annum". As at 31st March, 2020, the rate of interest across the loans was in the range of 6.95% p.a to 10.25% p.a.

15.2 Unsecured Borrowing

As at 31st March, 2020, the exposure to commercial paper stands to be NIL. As at 31st March, 2019, the interest was 7.67% p.a. to 8.12% p.a. and the redemption period was 90 days.

15.3 Details of terms of redemption/ repayment and security provided in respect of term loans:

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 1	8,331	Repayable in 5 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 2	13,750	Repayable in 11 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 3	15,000	Repayable in 12 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 4	10,500	Repayable in 2 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 5	27,500	Repayable in 6 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 6	24,400	Repayable in 9 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 7	10,000	Repayable in 16 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 8	20,000	Repayable in 12 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 9	30,000	Repayable in 12 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 10	5,333	Repayable in 24 Monthly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 11	20,000	Repayable in 8 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 12	34,375	Repayable in 11 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 13	3,104	Repayable in 5 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 14	34,375	Repayable in 11 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 15	47,500	Repayable in 19 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 16	50,000	Repayable in 19 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 17	19,500	Repayable in 13 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 18	24,375	Repayable in 13 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 19	20,001	Repayable in 18 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 20	8,750	Repayable in 14 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 21	7,564	Repayable in 64 Monthly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 22	7,500	Repayable in 2 Half yearly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 23	7,500	Repayable in 3 Half yearly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 24	9,091	Repayable in 10 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 25	5,000	Repayable in 11 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 26	50,000	Repayable in 8 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 27	11,250	Repayable in 3 Half yearly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 28	30,000	Repayable in 16 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 29	4,999	Repayable in 4 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 30	6,250	Repayable in 5 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 31	26,250	Repayable in 14 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 32	30,000	Repayable in 16 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 33	20,625	Repayable in 3 Annual instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 34	18,000	Repayable in 12 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 35	5,000	Repayable in 16 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 36	3,333	Repayable in 1 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 37	30,000	Repayable in 6 Half yearly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 38	35,000	Repayable in 7 Half yearly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 39	50,000	Repayable in 20 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 40	983	Repayable in 1 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 41	79,922	Repayable in 16 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 42	49,997	Repayable in 12 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 43	13,125	Repayable in 7 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 44	12,500	Repayable in 10 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 45	20,000	Repayable in 8 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 46	27,500	Repayable in 11 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 47	50,000	Repayable in 12 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 48	6,250	Repayable in 2 Half yearly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 49	1,00,000	Repayable in 4 Half yearly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 50	37,500	Repayable in 6 Half yearly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 51	30,000	Repayable in 12 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 52	4,000	Repayable in 1 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 53	9,167	Repayable in 33 Monthly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 54	21,250	Repayable in 17 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 55	20,000	Repayable in 16 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 56	21,750	Repayable in 8 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 57	42,500	Repayable in 17 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 58	4,968	Repayable in 5 Annual instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 59	10,000	Repayable in 10 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 60	833	Repayable in 1 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 61	1,250	Repayable in 6 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 62	2,500	Repayable in 6 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 63	1,667	Repayable in 2 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 64	5,000	Repayable in 8 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 65	1,250	Repayable in 6 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 66	6,250	Repayable in 10 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 67	10,500	Repayable in 27 Monthly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 68	5,000	Repayable in 15 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Borrowings - PTC	51,133		
EIR adjustments	1,004		
Total Term Loans from Banks	**14,31,955**		

INR in Lakhs

	Particulars	As at 31st March 2020	As at 31st March 2019
16	**DEPOSITS**		
	From related parties		
	Security deposits from Hinduja Housing Finance Limited (Subsidiary Company)	162	162
	Total	**162**	**162**

INR in Lakhs

	Particulars	As at 31st March 2020	As at 31st March 2019
17	**SUBORDINATED LIABILITIES**		
	Measured at amortised cost:		
	Unsecured subordinated redeemable non-convertible debentures (refer note 17.1)	1,24,088	1,35,908
	Other subordinated unsecured loans (refer note 17.2)	7,500	7,500
	Total (A)	**1,31,588**	**1,43,408**
	Subordinated Liabilities in India	1,31,588	1,43,408
	Subordinated Liabilities outside India	-	-
	Total (B)	**1,31,588**	**1,43,408**

17.1 Details relating to subordinated redeemable non-convertible debentures

11,750 (31st March, 2019: Rs 12,850) debentures were issued with a face value of Rs 1,000,000/-. These debentures carry interest rates ranging from 9.20% p.a. to 12.40% p.a. and the redemption period is 5 to 7 years.

The aforesaid debentures are listed at Bombay Stock Exchange.

17.2 Details relating to Other sub-ordinated unsecured loans

As at 31st March, 2020, the unsecured subordinated loans carried interest rate of 11.21% p.a. and the redemption period is 5 years.

INR in Lakhs

	Particulars	As at 31st March 2020	As at 31st March 2019
18	**OTHER FINANCIAL LIABILITIES**		
	Payable to assignees towards collections in assigned assets	23,205	22,572
	Interest participation payable	11,772	8,765
	Dealer payables	3,509	8,200
	Payable to employees	1,077	743
	Lease liability	2,608	-
	Other payable	-	4,584
	Total	**42,171**	**44,864**
19	**PROVISIONS**		
	Provision for employee benefits		
	- gratuity	170	112
	- compensated absences	121	105
	Total	**291**	**217**
20	**OTHER NON-FINANCIAL LIABILITIES**		
	Statutory liabilities	443	642
	Total	**443**	**642**

INR in Lakhs

	Particulars	As at 31st March 2020	As at 31stMarch 2019
21	**EQUITY SHARE CAPITAL**		
	Authorised		
	622,907,700 (31st March, 2019: 622,907,700) equity shares of Rs 10/- each	62,291	62,291
		62,291	**62,291**
	Issued, subscribed and fully paid up		
	469,752,490 (31st March, 2019 : 469,670,990) equity shares of Rs 10/- each	46,975	46,967
		46,975	**46,967**

Notes:

a) Reconciliation of number of Equity shares subscribed

INR in Lakhs

	As at 31st Mar 2020		As at 31st Mar 2019	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
At the commencement of the year	46,96,70,990	6,967	45,64,37,968	45,644
Add: Shares issued during the year	81,500	8	1,32,33,022	1,323
At the end of the year	**46,97,52,490**	**46,975**	**46,96,70,990**	**46,967**

b) Terms/ rights attached to equity shares

The Company has a single class of equity shares having face value of INR 10/- each. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. On winding up, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c) Shares held by holding / ultimate holding company and / or their subsidiaries / associates

INR in Lakhs

	As at 31st Mar 2020		As at 31st Mar 2019	
	No. of shares	% held	No. of shares	% held
Equity shares				
Ashok Leyland Limited; holding company	31,56,42,021	67.19%	29,04,31,937	61.84%

d) Details of shareholders holding more than 5% shares in the Company

INR in Lakhs

	As at 31st Mar 2020		As at 31st Mar 2019	
	No. of shares	% held	No. of shares	% held
Equity shares				
Ashok Leyland Limited; holding company	31,56,42,021	67.19%	29,04,31,937	61.84%
IndusInd International Holdings Limited	7,89,79,303	16.81%	7,89,79,303	16.82%
Hinduja Power Limited	3,07,86,550	6.55%	3,07,86,550	6.55%

e) Shares reserved for issue under employee stock option plan

INR in Lakhs

	As at 31st Mar 2020		As at 31st Mar 2019	
	Number	Amount	Number	Amount
Under Employee stock option scheme, 2013, at an exercise price as determined by the Nomination and Remuneration Committee	1,99,06,191	1,991	1,99,06,191	1,991

f) Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

During the five-year period ended 31st March, 2020, 2,864,500 (31st March, 2019: 2,783,000) equity shares issued under employee stock option plan for which only exercise price has been received in cash.

INR in Lakhs

Particulars	As at 31st March 2020	As at 31st March 2019
22 OTHER EQUITY		
a) Securities premium account		
Balance at the beginning of the year	96,211	77,490
Add: Premium on issue of shares	36	18,721
Add: Transferred from Employee Stock Option Outstanding account	-	-
Balance at the end of the year	**96,247**	**96,211**
b) Employee stock option outstanding account		
Balance at the beginning of the year	293	188
Add: Share based payment expense for the year	-	105
Less: Transferred to securities premium	-	-
Balance at the end of the year	**293**	**293**
c) Statutory reserves		
(As per Section 45-IC of Reserve Bank of India Act, 1934)		
Balance at the beginning of the year	23,416	17,903
Add: Amount transferred from surplus in statement of profit and loss	5,839	5,513
Balance at the end of the year	**29,255**	**23,416**
d) Retained earnings (Surplus in Statement of Profit and Loss)		
Balance at the beginning of the year	82,820	60,769
Add: Profit for the year	29,197	27,564
Less :Transferred to statutory reserve	(5,839)	(5,513)
Balance at the end of the year	**1,06,178**	**82,820**
e) Other comprehensive income		
Balance at the beginning of the year	22,677	28
Add: Comprehensive Income for the year	23,010	22,649
Balance at the end of the year	**45,687**	**22,677**
Total (a+b+c+d+e)	**2,77,660**	**2,25,417**

Nature and purpose of reserve

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of section 52 of the Act.

Employee stock option outstanding

The Company has established various equity settled share based payment plans for certain categories of employees of the Company.

Reserve u/s. 45-IA of the Reserve Bank of India Act, 1934 ("the RBI Act, 1934")

Reserve u/s. 45-IA of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI.

Surplus in the statement of profit and loss

Surplus in the statement of profit and loss is the accumulated available profit of the Company carried forward from earlier years. These reserves are free reserves which can be utilised for any purpose as may be required.

Other comprehensive income

a) The Company has elected to recognise changes in the fair value of loans and advances in other comprehensive income. These changes are accumulated within the FVOCI - loans and advances reserve within equity.

b) Remeasurement of the net defined benefit liabilities comprise actuarial gain or loss, return on plan assets excluding interest and the effect of asset ceiling, if any.

23 INTEREST INCOME

INR in Lakhs

Particulars	Year Ended 31st Mar 2020			Year Ended 31st Mar 2019		
	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	Total	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	Total
Interest Income						
- Interest income on loans to customers (refer note)	82,502	1,74,524	2,57,026	37,626	1,75,866	2,13,492
- Interest on investment in pass through certificates	-	6,966	6,966	-	5,007	5,007
- Interest income on investment in debentures	-	3,862	3,862	-	5,786	5,786
- Interest income on lease assets	-	12	12	-	-	-
Total	**82,502**	**1,85,364**	**2,67,866**	**37,626**	**1,86,659**	**2,24,285**

Note: Interest income on loans to customers includes, as part of loan Origination Income, Other than Interest Income such as processing charges, documentation charges, services charges of Rs 8,113 lakhs (31st March, 2019 - Rs 7,400 lakhs) and loan origination expenses, netted off against Interest Income on loan to customers, such as stamp charges, brokerage & commission, service provider payments and marketing expenses of Rs 13,702 lakhs (31st March, 2019 - Rs 11,271 lakhs).

INR in Lakhs

	Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
24	**FEES AND COMMISSION INCOME**		
	Other charges	5,315	4,768
	Total	**5,315**	**4,768**
25	**NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS**		
	Income on assignment of loans	18,751	16,816
	Total	**18,751**	**16,816**
26	**OTHER INCOME**		
	Interest on fixed deposits	761	889
	Other income	55	9,305
	(including income earned from related parties amounting to Rs Nil (31st March, 2019 - Rs 9,305 lakh)		
	Total	**816**	**10,195**

INR in Lakhs

Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
27 FINANCE COSTS		
Finance costs on financial liabilities measured at amortised cost		
Interest on borrowings		
- term loans from banks	1,10,820	79,701
- cash credits and working capital demand loans	5,735	4,575
- securitised portfolio	2,622	2,581
Interest on debt securities	11,797	23,211
Interest on subordinated liabilities	14,382	12,747
Amortisation of discount on commercial papers	7,788	8,013
Amortisation of ancillary costs relating to borrowings	2,168	1,295
Interest on lease assets	85	-
Total	**1,55,397**	**1,32,123**
28 FEES AND COMMISSION EXPENSE		
Service provider and sourcing expenses	2,930	3,358
Others	5,792	2,871
Total	**8,722**	**6,229**

29 IMPAIRMENT ON FINANCIAL ASSETS

INR in Lakhs

Particulars	Year Ended 31st Mar 2020		Year Ended 31st Mar 2019	
	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost
Provision for expected credit loss and amounts written off	4,034	55,502	4,646	51,283
Impairment loss on other receivables	-	2,151	-	767
Total	**4,034**	**57,653**	**4,646**	**52,050**
Total impairment of financial assets		**61,687**		**56,696**

30 EMPLOYEE BENEFITS EXPENSES

INR in Lakhs

Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
Salaries, wages and bonus	12,170	9,577
Contribution to provident and other funds	576	382
Contribution to gratuity (refer note 36)	94	112
Staff welfare expenses	243	214
Employee stock option expenses (refer note 35)	-	105
Total	**13,083**	**10,390**

INR in Lakhs

	Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
31	**DEPRECIATION AND AMORTIZATION**		
	Depreciation of property, plant and equipment	639	654
	Amortisation of intangible assets	15	8
	Depreciation on right of use assets	398	-
	Total	**1,052**	**662**
32	**OTHER EXPENSES**		
	Legal and professional charges	1,964	1,354
	Rent (refer note 41)	1,349	1,338
	Communication expenses	733	639
	Insurance	339	320
	Electricity charges	279	256
	Rates and taxes	119	63
	Office maintenance	557	693
	Repairs and maintenance	208	142
	Bank charges	221	305
	Printing and stationery	429	436
	Travelling and conveyance	1,129	911
	Auditor remuneration (refer note 32.1)	93	88
	Meeting and conference expenses	60	169
	Commission to directors	168	155
	Sitting fees to directors	72	96
	Expenditure on corporate social responsibility (refer note 42)	705	210
	Miscellaneous expenses	480	504
	Total	**8,904**	**7,679**
32.1	**PAYMENTS TO AUDITOR (EXCLUDING GOODS AND SERVICES TAX)**		
	(a) As auditor:		
	Statutory audit	35	35
	Tax audit	2	2
	Limited review	15	15
	Consolidation	10	8
	(b) In other capacity:		
	Certification	5	5
	Other services	21	18
	(c) Reimbursement of expenses	5	5
		93	**88**
33	**INCOME TAX**		
	The components of income tax expense for the years ended 31 March 2020 and 2019 are:		
	Current tax	11,157	13,017
	Deferred tax	3,549	1,704
	Total tax charge	**14,706**	**14,721**

INR in Lakhs

Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019

33.1 RECONCILIATION OF THE TOTAL TAX CHARGE

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31st March, 2020 and 2019 is, as follows:-

Accounting profit before tax	43,903	42,285
Applicable tax rate	25.17%	34.94%
Computed tax expense	**11,049**	**14,776**
Tax effect of :		
Permanent differences	3,656	(55)
Tax expenses recognised in the statement of profit and loss	**14,705**	**14,721**
Effective tax rate	33.49%	34.81%

33.2 DEFERRED TAX

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense

INR in Lakhs

Component of Deferred tax asset / (liability)	As at 31st Mar 2019	Statement of profit and loss	Other comprehensive income	As at 31st Mar 2020
Deferred tax asset / (liability) in relation to:				
Fixed assets	94	(49)	-	45
Impact of fair value of assets	(12,120)	-	(3,326)	(15,446)
Impairment on financial assets	15,886	(2,624)	-	13,262
Provision for employee benefits	127	(3)	(70)	54
Impact on ESOP fair valuation	-	-	-	-
Impact on other receivables	(5,462)	(212)	-	(5,674)
Impact on leases	-	36	-	36
Others	696	(695)	-	1
Total	**(779)**	**(3,547)**	**(3,396)**	**(7,722)**

Component of Deferred tax asset / (liability)	As at 1st Apr 2018	Statement of profit and loss	Other comprehensive income	As at 31st Mar 2019
Deferred tax asset / (liability) in relation to:				
Fixed assets	45	49	-	94
Impact of fair value of assets	-	-	(12,120)	(12,120)
Impairment on financial assets	14,461	1,425	-	15,886
Provision for employee benefits	99	77	(50)	127
Impact on ESOP fair valuation	27	(27)	-	-
Impact on other receivables	(2,229)	(3,233)	-	(5,462)
Others	691	5	-	696
Total	**13,094**	**(1,704)**	**(12,170)**	**(779)**

INR in Lakhs

	Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
34	**EARNINGS PER SHARE ('EPS')**		
	Earnings		
	Net profit attributable to equity shareholders for calculation of basic EPS	29,197	27,564
	Net profit attributable to equity shareholders for calculation of diluted EPS	29,197	27,564
	Shares		
	Equity shares at the beginning of the year	46,96,70,990	45,64,37,968
	Shares issued during the year	81,500	1,32,33,022
	Total number of equity shares outstanding at the end of the year	**46,97,52,490**	**46,96,70,990**
	Weighted average number of equity shares outstanding during the year for calculation of basic EPS	46,97,25,326	45,83,39,358
	Effect of dilutive potential equity shares		
	Employee stock options	2,05,296	3,71,286
	Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	46,99,30,622	45,87,10,644
	Face value per share	10.00	10.00
	Earnings per share		
	Basic	6.22	6.01
	Diluted	6.21	6.01

35 EMPLOYEE STOCK OPTION

The Company has granted certain stock options to its employees under Employee stock option scheme, 2013 ("ESOP Scheme"). The employee stock options granted entitle the employees to purchase equity shares at an exercise price either at Rs 10/- per option or fair value at the date of the grant or as determined by the Nomination and Remuneration Committee at the date of grant.

Options to employees are usually granted with a four-year rateable vesting. The options would need to be exercised within a 3 year period from the date of vesting.

The vesting pattern is indicated below

Particulars	Vesting pattern	Vesting pattern	Vesting pattern	Vesting pattern	Vesting pattern
Grant date	26-Mar-14	10-Nov-16	23-May-17	29-Jan-18	22-May-19
At the end of one year of service from grant date	20%	20%	20%	20%	20%
At the end of two years	20%	20%	20%	20%	20%
At the end of three years	30%	30%	30%	30%	30%
At the end of four years	30%	30%	30%	30%	30%

Share based payment expense

The expense recognised during the current year:

INR in Lakhs

Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
Share based payment expense:		
Total expense recognised in 'employee benefits' (refer note 30)	-	105

Reconciliation of outstanding options

The number and the weighted average exercise prices of share options under employee stock option plan are as follows:

Particulars	As at 31st Mar 2020		As at 31st Mar 2019	
	No of options	Weighted average exercise price	No of options	Weighted average exercise price
Outstanding at beginning of the year	**13,14,000**	**69.82**	**15,18,500**	**65.87**
Granted during the year	1,60,000	110.00	-	-
Forfeited during the year	1,29,500	88.75	10,000	54.40
Exercised during the year	81,500	56.95	1,81,500	41.33
Expired during the year	-	-	13,000	27.95
Outstanding at the end of the year	**12,63,000**	**73.96**	**13,14,000**	**69.82**

The options outstanding at the year-end have an exercise price and a weighted average contractual life as given below:

Particulars	As at 31st Mar 2020			As at 31st Mar 2019		
	No of outstanding options	Range of exercise price	Weighted average remaining life	No of outstanding options	Range of exercise price	Weighted average remaining life
ESOP Scheme	12,63,000	INR/- 56.95 to 110	1 – 4 years	13,14,000	INR/- 27.95 to 110	1 – 4 years

Measurement of fair values

The fair value of employee stock options is measured using the Black Scholes Model.

35 EMPLOYEE STOCK OPTION (CONTINUED)

The inputs used in the computation of fair value of the grant date fair value are as follows:

Grant date	26-Mar 2014	10-Nov 2016	23-May 2017	29-Jan 2018	22-May 2019
No of shares	29,95,000	11,90,000	50,000	4,10,000	1,60,000
Value of the share at the grant date	27.95	79	95	110	110
Exercise price	INR/- 10 to 37.95	INR/- 54.40	INR/- 75	INR/- 110	INR/- 110
Expected volatility	0.00%	0.00%	0.00%	0.00%	0.00%
Expected dividends	0.00%	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate (based on government bonds)	8.00%	6.88%	7.08%	7.08%	7.08%
Expected life	4 years	4 years	4 years	4 years	4 years

Note: The Exercise Period shall commence from the date of Vesting and the Vested Options can be Exercised within a period of 3 years from date of Vesting of Option or till it is cancelled as per the provisions of the Scheme.

36 EMPLOYEE BENEFIT – POST EMPLOYMENT BENEFIT PLANS

a) Defined contribution plans

The Company operates defined contribution plan (Provident fund) for all qualifying employees of the Company. The employees of the Company are members of a retirement contribution plan operated by the government. The Company is required to contribute a specified percentage of payroll cost to the retirement contribution scheme to fund the benefits. The only obligation of the Company with respect to the plan is to make the specified contributions.

The Company's contribution to Provident Fund aggregating Rs 576 lakhs (31st March, 2019 : Rs 382 lakhs) (refer note 30) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

Defined benefit obligation

The liability under the Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

Interest rate risk: The risk of government security yields falling due to which the corresponding discount rate used for valuing liabilities falls. Such a fall in discount rate will result in a larger value placed on the future benefit cash flows whilst computing the liability and thereby requiring higher accounting provisioning.

Longevity risk: Longevity risks arises when the quantum of benefits payable under the plan is based on how long the employee lives post cessation of service with the company. The gratuity plan provides the benefit in a lump sum form and since the benefit is not payable as an annuity for the rest of the lives of the employees, there is no longevity risks.

Salary risk: The gratuity benefits under the plan are related to the employee's last drawn salary. Consequently, any unusual rise in future salary of the employee raises the quantum of benefit payable by the company, which results in a higher liability for the company and is therefore a plan risk for the company.

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Significant assumptions		
Discount rate	5.60%	7.00%
Expected rate of salary escalation	10.00%	10.00%
Other assumption		
Mortality rate	Indian Assured Lives Mortality 2006-08 (modified) Ult	Indian Assured Lives Mortality 2006-08 (modified) Ult

b) Gratuity benefit plan

Financial assets not measured at fair value

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age/ resignation date.

The defined benefit plans expose the Company to risks such as Actuarial risk, Investment risk, Liquidity risk, Market risk, Legislative risk. These are discussed as follows:

Actuarial risk: It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

A**dverse salary growth experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Investment risk: For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity risk: Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.

Market risk: Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative risk: Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Amount recognised in balance sheet in respect of these defined benefit obligation :

INR in Lakhs

Particulars	For the year ended 31st Mar 2020	For the year ended 31st Mar 2019
Present value of obligations	487	332
Fair value of plan assets	330	220
Liability recognised in the Balance Sheet	**(157)**	**(112)**

Amount recognised in statement of profit and loss in respect of these defined benefit obligation :

INR in Lakhs

Particulars	For the year ended 31st Mar 2020	For the year ended 31st Mar 2019
Current service cost	91	68
Past service cost	-	-
Net interest cost	3	1
Components of defined benefits costs recognised in profit or loss.	**94**	**69**
Remeasurements on the net defined benefit liability :		
- Actuarial (gain)/loss from change in demographic assumptions	-	-
- Actuarial (gain)/loss from change in financial assumptions	26	1
- Actuarial (gain)/loss from change in experience adjustments	51	44
- Return on plan assets (greater)/less than discount rate	(2)	(2)
Total amount recognised in other comprehensive income	**75**	**43**
Total	**169**	**112**

The current service cost and the net interest expense for the year are included in the "Employee Benefit Expense" line item in the statement of profit and loss

INR in Lakhs

Particulars	For the year ended 31st Mar 2020	For the year ended 31st Mar 2019
Opening defined benefit obligation	333	236
Current service cost	91	68
Past service cost	-	-
Interest cost	22	16
Remeasurements (gains)/losses:		
- Actuarial (gain)/loss from change in demographic assumptions	-	-
- Actuarial (gain)/loss from change in financial assumptions	26	2
- Actuarial (gain)/loss from change in experience adjustments	51	44
Benefits paid	(35)	(33)
Closing defined benefit obligation	**488**	**333**

*On account of inter group transfer

Movement in present values of defined benefit obligations

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Defined benefit obligation at the beginning of the year	333	236
Current service cost	91	68
Interest cost	22	16
Actuarial (gains) / losses	77	46
Benefits paid by the plan	(23)	(33)
Benefits paid directly by the company	(13)	-
Defined benefit obligation at the end of the year	**487**	**333**

Movement in fair value of plan assets

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Fair value of plan assets at the beginning of the year	220	206
Contributions paid into the plan	112	29
Benefits paid by the plan	(23)	(33)
Expected return on plan assets	19	15
Actuarial (losses) / gains	2	2
Fair value of plan assets at the end of the year	**330**	**210**

Expense recognised in the statement of profit or loss

INR in Lakhs

Particulars	Year ended 31st Mar 2020	Year ended 31st Mar 2019
Current service cost	91	68
Interest on obligation	22	16
Expected return on plan assets	(19)	(15)
Net actuarial (gain)/ loss recognised in the year	76	43
Benefits paid directly by the company	(13)	-
Total	**157**	**112**

Actuarial assumptions

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Discount rate	5.60%	7.00%
Estimated rate of return on plan assets	5.60%	7.00%
Attrition rate	25.00%	25.00%
Future salary increases	10.00%	10.00%
Retirement age	58 years	58 years

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Assumptions regarding future mortality are based on published statistics and mortality tables. The calculation of the defined benefit obligation is sensitive to the mortality assumptions.

Five year information

INR in Lakhs

Gratuity	As at 31st Mar 2020	As at 31st Mar 2019	As at 31st Mar 2018	As at 31st Mar 2017	As at 31st Mar 2016
Defined benefit obligation	487	333	236	164	139
Fair value of plan assets	330	219	206	115	108
Deficit in plan	157	112	30	48	31
Experience adjustments on plan liabilities	77	46	(1)	(45)	(23)
Experience adjustments on plan assets	2	2	36	-	(2)

Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase.The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.The results of sensitivity analysis is as follows :

INR in Lakhs

	Year ended 31st Mar 2020		Year ended 31st Mar 2019	
	Increase	Decrease	Increase	Decrease
100 base points increase/ decrease				
Discount rate	(19)	21	(12)	13
Future salary growth	20	(19)	13	(12)
Attrition rate	(2)	2	(4)	2

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There in no change in the method of valuation for the prior periods in preparing the sensitivity analysis. For change in assumptions refer to note (a) above.

Further more, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation asset recognised in the balance sheet.

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Expected benefits for year 1	92.95	53.08
Expected benefits for year 2	81.91	61.16
Expected benefits for year 3	99.72	70.51
Expected benefits for year 4	126.31	86.15
Expected benefits for year 5	153.68	113.99
Expected benefits for year 6	158.53	123.35
Expected benefits for year 7	142.64	115.49
Expected benefits for year 8	131.72	103.13
Expected benefits for year 9	117.07	94.89
Expected benefits for year 10 and above	105.39	83.25

The weighted average duration of the payment of these cash flows is 4 years (FY 2018-19 - 4 years)

c) Other long term employee benefits

The liability for compensated absences as at 31st March, 2020 is Rs 121 lakhs and as at 31st March, 2019 is Rs 104 lakhs.

37 SEGMENT REPORTING

The Company is primarily engaged into business of providing loans for vehicle finance. The company has its operations within India and all revenues are generated within India. As such, there are no separate reportable segments as per the provisions of IND AS 108 on 'Operating Segments'.

38 CONTINGENT LIABILITIES AND COMMITMENTS

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Claims against the Company not acknowledged as debts: Value added taxes [bank guarantee provided against the claim Rs 75 lakhs (31st March, 2019 : Rs 75 lakhs)]	180	180
Bank guarantee against securitisation transactions	4,558	4,552

The Company also receives claims, including those on collection and repossession related matters, which arise in the ordinary course of the business. However, the management does not believe that such matters would have a material effect on the financial statements.

There are no significant capital commitments as at the year end.

39 RELATED PARTY DISCLOSURES

Name of the related parties and nature of relationship

Holding company / Ultimate Holding Company	Ashok Leyland Limited ("ALL") – Holding Company of Hinduja Leyland Finance Limited Hinduja Automotive Limited ("HAL") – Holding Company of ALL Machen Holdings S.A ("Machen") – Holding Company of HAL Machen Development Corporation ("MDC") – Holding Company of Machen Amas Holdings S.A. – Holding Company of MDC
Subsidiary company	Hinduja Housing Finance Limited ("HHF")
Associate company	HLF Services Limited ("HSL")
Fellow subsidiary	Hinduja Energy (India) Limited Gulf Ashley Motors Limited
Key management personnel (KMP)	Mr. S. Nagarajan, Executive Vice Chairman Mr. Sachin Pillai, Managing Director & CEO Mr. Kishore Kumar Lodha, Chief Financial Officer Mr. B Shanmugasundaram, Company Secretary

Related party transactions

INR in Lakhs

Nature of transaction	Holding company (ALL)	Associate	Subsidiary	Fellow subsidiary	KMP
Investment in equity shares	- -	- -	4,000 (3,000)	- -	- -
Inter-corporate deposits (Hinduja Energy (India) Limited)	- -	- -	- -	17,500 (9,000)	- -
Repayment of Inter-corporate deposits (Hinduja Energy (India) Limited)	- -	- -	- -	22,000 (4,500)	- -
Advance given (Gulf Ashley Motors Limited)	-	-	-	4,160 (9,766)	-
Advance repayment (Gulf Ashley Motors Limited)	-	-	-	4,855 (9,092)	-
Reimbursement of expenses incurred on behalf of the related party	1 (0)	- -	104 (64)	- -	- -
Interest income - Hinduja Energy (India) Limited	- - -	- - -	- - -	- 691 (462)	- - -
- Gulf Ashley Motors Limited	- -	- -	- -	8 (1)	- -

INR In Lakhs

Nature of transaction	Holding company (ALL)	Associate	Subsidiary	Fellow subsidiary	KMP
Purchase of services including tax:	-	-	-	-	-
a. Service provider fee	-	8,622	-	-	-
	-	(7,410)	-	-	-
b. Sourcing / marketing expenses	-	-	-	-	-
	-	-	-	-	-
Income from other services	-	-	-	-	-
	-	(9,305)	-	-	
Salaries and allowances	-	-	-	-	-
- Mr. S. Nagarajan	-	-	-	-	378
	-	-	-	-	(321)
- Mr. Sachin Pillai	-	-	-	-	283
	-	-	-	-	(253)
- Mr. Kishore Kumar Lodha	-	-	-	-	101
	-	-	-	-	(81)
- Mr. B Shanmugasundaram	-	-	-	-	45
	-	-	-	-	(34)
Number of equity shares allotted on exercise of options - Mr. Sachin Pillai	-	-	-	-	10,000
	-	-	-	-	(70,000)

Also refer note 46

Figures in bracket represent previous year figures.

Year end balances

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Amounts due from related parties		
- Hinduja Energy (India) Limited	-	4,500
- HLF Services Limited	5,186	11,359
- Hinduja Housing Finance Limited	-	-
- Gulf Ashley Motors Limited	-	713
Amounts due to related parties		
- Hinduja Housing Finance Limited	162	162
- Ashok Leyland Limited	-	-

There are no provisions for doubtful debts / advances or amounts written off or written back for debts due from/ due to related parties. The transactions disclosed above are exclusive of GST.

The Company enters into transactions, arrangements and agreements involving directors, senior management and their business associates, or close family members, in the ordinary course of business under the same commercial and market terms, interest and commission rates that apply to non-related parties.

40 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/ or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the company uses the same basis of expected repayment behaviour as used for estimating the EIR.

INR in Lakhs

Particulars	As at 31st Mar 2020			As at 31st Mar 2019		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Assets						
Cash and cash equivalents	82,879	-	82,879	24,227	-	24,227
Bank Balance other than cash and cash equivalents	14,610	-	14,610	-	11,840	11,840
Other Receivables	17,500	5,040	22,540	6,200	9,431	15,631
Loans	7,04,350	10,66,358	17,70,708	6,13,714	10,74,970	16,88,684
Investments	17,681	60,003	77,684	75,084	54,786	1,29,870
Other financial assets	88,397	1,391	89,788	1,00,523	35,592	1,36,115
Current tax assets (net)	7,130	-	7,130	7,214	-	7,214
Property, Plant and Equipment	-	4,969	4,969	-	4,901	4,901
Capital work-in-progress	-	116	116	-	-	-
Other Intangible assets	-	59	59	-	30	30
Right of use assets	-	2,650	2,650			-
Other non-financial assets	2,929	-	2,929	1,557	-	1,557
Total Assets	**9,35,476**	**11,40,586**	**20,76,062**	**8,28,519**	**11,91,550**	**20,20,069**
Liabilities						
Other payables	-	-	-	-	-	-
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,957	-	1,957	314	-	314
Debt Securities	61,602	26,698	88,300	1,00,160	1,05,455	2,05,615
Borrowings (other than debt securities)	5,26,310	9,52,483	14,78,793	5,44,196	8,07,488	13,51,684

INR in Lakhs

Particulars	As at 31st Mar 2020			As at 31st Mar 2019		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Deposits	-	162	162	-	162	162
Subordinated liabilities	20,570	1,11,018	1,31,588	11,000	1,32,408	1,43,408
Other financial liabilities	36,606	5,565	42,171	44,864		44,864
Provisions	-	291	291	-	217	217
Deferred tax liabilities (net)	-	7,722	7,722	-	779	779
Other non-financial liabilities	443	-	443	642	-	642
Total Liabilities	**6,47,488**	**11,03,939**	**17,51,427**	**7,01,176**	**10,46,509**	**17,47,685**
Net	**2,87,988**	**36,647**	**3,24,635**	**1,27,343**	**1,45,041**	**2,72,384**

41 LEASES

Effective 1st April, 2019, the company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using modified retrospective method. The company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use assets at an amount equal to the lease liability discounted at the incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31st March, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for the year ended 31st March, 2019.

On the date of initial application, the adoption of the new standard resulted in recognition of 'Right to Use' asset (ROU) of Rs 3,048.18 Lakhs and a lease liability of Rs 2,607.70 Lakhs. The weighted average of discount rate applied to lease liabilities as at 1st April, 2019 is 9.31%. The company has recognised amortisation of ROU aggregating of Rs 398.42 Lakhs and interest expenses on lease liabilities of Rs 85 Lakhs in the Statement of Profit and Loss for the year ended 31st March, 2020. Lease payments during the year have been disclosed under financial activities in the cash flow statements.

The following is the summary of practical expedients elected on initial application:

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

(b) Applied the exemption not to recognise right to use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

(c) Excluded the initial direct costs from the measurement of the right to use asset at the date of initial application.

The difference between the lease obligation recorded as 31st March, 2019 under Ind AS 17 disclosed under note 31 of annual financial statements forming part of 2019 annual report and the value of lease liability as of 1st April, 2019 is primarily on account of discounting the lease liabilities to the present value under Ind AS 116.

Following are the changes in the carry value of the right of use assets for the year ended 31st March, 2020:

INR in Lakhs

Category of ROU Asset	Gross Block			Accumulated Depreciation			Net Block
	As at 1st April 2019	Additions	As at 31st March 2020	As at 1st April 2019	Depreciation	As at 31st March 2020	As at 31st March 2020
Office Premises	-	3,048	3,048	-	398	398	2,650

The aggregate depreciation expenses on ROU assets is included under depreciation and amortization expenses in the Statement of Profit and Loss.

Table showing contractual cash maturities of lease liabilities as at 31st March, 2020 on an undiscounted basis:

INR in Lakhs

Particulars	Year ended 31st Mar 2020	Year ended 31st Mar 2019
Within one year	943	-
After one year but not more than five years	1,290	-
More than five years	318	-
Total	**2,551**	**-**

The Company does not face significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The company has taken vehicles on finance lease for a period of 48 months.The company's obligation under finance lease is secured by the minimum lease rentals outstanding as at the year end as under:

INR in Lakhs

Particulars	Year ended 31st Mar 2020	Year ended 31st Mar 2019
Within one year	24	-
After one year but not more than five years	34	-
More than five years	-	-
Total	57	-
Less : Future finance charges	8	-
Present value of minimum lease payments	49	-
Total	**57**	**-**

INR in Lakhs

	Particulars	Year ended 31st Mar 2020	Year ended 31st Mar 2019
42	**CORPORATE SOCIAL RESPONSIBILITY ("CSR") EXPENDITURE**		
	(a) Gross amount required to be spent by the company during the year as per Section 135 of the Companies Act, 2013 read with schedule VII	638	512
	(b) Amount spent during the year on:		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than (i) above	705	210
43	**UTILISATION OF THE PROCEEDS OF RIGHTS ISSUE**		
	Proceeds from rights issue	-	19,969
	Utilisation during the year – Loan to customers	-	(19,969)
	Un-utilised amount at the end of the year	-	-
44	**EXPENDITURE IN FOREIGN CURRENCY**		
	Legal and professional charges	41	79

45 FINANCIAL INSTRUMENT

A Fair value measurement

Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions i.e, exit price. This is regardless of whether that price is directly observable or estimated using a valuation technique.

Financial instruments by category

The carrying value and fair value of financial instruments measured at fair value as of 31st March, 2020 were as follows:

INR in Lakhs

Particulars	Carrying amount	Fair value			
	FVOCI	Level 1	Level 2	Level 3	Total
As at 31st March 2020					
Loans	6,98,932	-	-	7,51,408	7,51,408
As at 31st March 2019					
Loans	6,34,006	-	-	6,64,034	6,64,034

The company does not have any financial assets measured at fair value as on 31st March, 2020 and 1st April, 2019.

Reconciliation of level 3 fair value measurement is as follows

INR in Lakhs

Loans	Year ended 31st Mar 2020	Year ended 31st Mar 2019
Loans, measured at FVOCI		
Balance at the beginning of the year	30,028	-
Total gains measured through OCI for additions made during the year	22,448	30,028
Balance at the end of the year	**52,476**	**30,028**

Sensitivity analysis

INR in Lakhs

	Equity, net of tax	
	Increase	Decrease
31st March 2020		
Loans		
Interest rates (1% movement)	15,325.39	15,325.39

The carrying value and fair value of other financial instruments by categories as of 31st March, 2020 were as follows:

INR in Lakhs

Particulars	Carrying amount	Fair value			
	Amortised cost	Level 1	Level 2	Level 3	Total
Assets:					
Loans	18,26,845	-	-	19,20,014	19,20,014
Investments	58,682	8,000	-	53,469	61,469
Total	**18,85,527**				
Liabilities:					
Debt securities	88,300	88,300	-	-	88,300
Borrowings	14,78,793	-	-	14,78,793	14,78,793
Security deposits	162	-	-	162	162
Subordinated liabilities	1,31,588	1,31,588	-	-	1,31,588
Total	**16,98,843**				

The carrying value and fair value of financial instruments by categories as of 31st March, 2019 were as follows:

INR in Lakhs

Particulars	Carrying amount	Fair value			
	Amortised cost	Level 1	Level 2	Level 3	Total
Assets:					
Loans	17,38,652	-	-	18,80,767	18,80,767
Investments	1,14,868	10,000	-	1,08,540	1,18,540
Total	**18,53,520**				
Liabilities:					
Debt securities	2,05,615	2,05,615	-	-	-
Borrowings	13,51,684	-	-	13,51,684	13,51,684
Security deposits	162	-	-	162	162
Subordinated liabilities	1,43,408	1,43,408	-	-	1,43,408
Total	**17,00,869**				

B Measurement of fair values

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

The Company has not disclosed the fair values for financial instruments which are short term in nature because their carrying amounts are a reasonable approximation of fair value.

Borrowings

The debt securities, borrowings and subordinated liabilities are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.

Loans, Dealer trade advances and other receivables

The fair values of loans and receivables are estimated by discounted cash flow models that incorporate assumptions for credit risks, foreign exchange risk, probability of default and loss given default estimates.

Investments

The fair values financial of held-to-maturity investments are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk. Investment in mutual funds has been taken as Level II and value has been considered based on mutual fund statement.

Transfers between levels I and II

There has been no transfer in between level I and level II.

C Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

The company monitors capital using adjusted net debt (total borrowings net of cash and cash equivalents) to equity ratio.

INR in Lakhs

Particulars	Year ended 31st Mar 2020	Year ended 31st Mar 2019
Gross debt	16,98,681	17,00,707
Less:		
Cash and cash equivalents	82,879	24,227
Other bank deposits	14,610	11,840
Adjusted net debt	16,01,192	16,64,640
Total equity	3,24,635	2,72,384
Adjusted net debt to equity ratio	**4.93**	**6.11**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the bank to immediately call loans and borrowings.

Regulatory capital *

INR in Lakhs

Particulars	Carrying amount	
	As at 31st Mar 2020	As at 31st Mar 2019
Tier I Capital	2,73,400	2,17,017
Tier II Capital	53,130	1,15,931
Total Capital	**3,26,530**	**3,32,948**
Risk weighted assets	18,93,450	19,61,873
Tier I Capital Ratio (%)	14.44%	11.06%
Tier II Capital Ratio (%)	2.81%	5.91%

Tier 1 capital consists of shareholders' equity and retained earnings. Tier II Capital consists of general provision and loss reserve against standard assets and subordinated debt (subject to prescribed discount rates and not exceeding 50% of Tier I). Tier 1 and Tier II has been reported on the basis of Ind AS financial information.

* The above computations are as per IND AS. RBI related accounting implications on account of IND AS adoption are not considered in the above computations, as RBI is yet to provide guidance on Ind AS implications in CRAR computations.

46 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise borrowings from banks and debentures. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loan and advances, investments and cash and cash equivalents that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's board of directors has an overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee and asset liability committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party to financial instrument held at amortised cost and debt instrument held at FVOCI fails to meet its contractual obligations and arises principally from the Company's receivables from customers and loans.

The carrying amounts of financial assets represent the maximum credit risk exposure.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry.

The Board has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and

The Company's exposure to credit risk for loans and advances by type of counterparty is as follows. All these exposures are within India.

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Retail loans	16,24,299	15,43,794
Term loans	2,02,546	1,55,358
Inter-corporate deposits	-	39,500
	18,26,845	**17,38,652**
Less : Impairment loss allowance	(56,137)	(49,968)
	17,70,708	**16,88,684**

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the loan receivables are categorised into groups based on days past due. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - financial instruments.

Staging:

As per the provision of Ind AS 109 general approach all financial instruments are allocated to stage 1 on initial recognition. However, if a significant increase in credit risk is identified at the reporting date compared with the initial recognition, then an instrument is transferred to stage 2. If there is objective evidence of impairment, then the asset is credit impaired and transferred to stage 3.

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

For financial assets in stage 1, the impairment calculated based on defaults that are possible in next twelve months, whereas for financial instrument in stage 2 and stage 3 the ECL calculation considers default event for the lifespan of the instrument.

As per Ind AS 109, Company assesses whether there is a significant increase in credit risk at the reporting date from the initial recognition. Company has staged the assets based on the Day past dues criteria and other market factors which significantly impacts the portfolio.

Days past dues status	Stage	Provisions
Current	Stage 1	12 Months Provision
1-30 Days	Stage 1	12 Months Provision
31-90 Days	Stage 2	Lifetime Provision
90+ Days	Stage 3	Lifetime Provision

Grouping

As per Ind AS 109, Company is required to group the portfolio based on the shared risk characterstics. Company has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups:

- Commercial vehicle loans

- Two-wheeler loan

- Construction equipments

- Three-wheeler loan

- Loan against property

- Investments

Expected credit loss ("ECL"):

ECL on financial assets is an unbiased probablity weighted amount based out of possible outcomes after considering risk of credit loss even if probblity is low. ECL is calaculated based on

a. Marginal probablity of default ("MPD")

b. Loss given default ("LGD")

c. Exposure at default ("EAD")

d. Discount factor ("D")

Marginal probablity of default:

PD is defined as the probablity of whether borrowers will default on their obligations in the future. Historical PD is derived from the internal data which is calibrated with forward looking macroeconomic factors.

The company has made overlays to the ECL Model to consider the impact of the COVID-19 pandemic on the provision. The probabilty of default has been stressed depending on the type of portfolio, credit risk and likely consequential default due to pandemic. The impact on collateral values is also stressed for determination of loss given default wherever necessary as appropriate. Also refer note 49.

LGD:

LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods. Various approaches are available to compute the LGD. The Company has considered the workout LGD approach by considering historical losses and recoveries. The following steps are performed to calculate the LGD:

1) Analysis of historical credit impaired accounts at cohort level.

2) The computation consists of five components, which are:

a) Outstanding balance (POS).

b) Recovery amount (discounted yearly) by initial contractual rate.

c) Expected recovery amount (for incomplete recoveries), discounted to reporting date using initial contractual rate.

d) Collateral (security) amount.

The formula for the computation is as below:

% Recovery rate = (discounted recovery amount + security amount + discounted estimated recovery) / (total POS).

% LGD = 1 – recovery rate.

EAD:

As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. The Company has modelled EAD based on the contractual and behaviourial cash flows till the lifetime of the loans considering the expected prepayments.

Company has considered expected cash flows for all the loans at DPD bucket level for each of the segments, which was used for computation of ECL. Moreover, the EAD comprised of principal component, accrued interest and also the future interest for the outstanding exposure. So discounting was done for computation of expected credit loss.

Discounting:

As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate.

Analysis of changes in the gross carrying amount and the corresponding ECL allowances:

INR in Lakhs

Particulars	31st Mar 2020				31st Mar 2019			
	Stage 1	Stage 2	Stage 3	Total	Revised Stage 1	Stage 2	Revised Stage 3	Total
Gross carrying amount opening balance	**13,91,831**	**2,27,779**	**1,19,042**	**17,38,652**	**11,54,563**	**1,46,868**	**97,777**	**13,99,208**
Assets derecognised or repaid (including write offs)	(5,20,184)	(76,978)	(16,606)	(6,13,768)	(4,35,064)	(28,749)	(20,636)	(4,84,449)
Transfers from Stage 1 **	(3,03,129)	1,90,746	14,492	(97,891)	(1,61,712)	1,32,337	37,182	7,807
Transfers from Stage 2 **	21,427	(95,003)	17,344	(56,232)	39,345	(56,265)	5,923	(10,997)
Transfers from Stage 3 **	932	3,367	(17,543)	(13,244)	5,232	2,573	(6,073)	1,732
Amounts written off	-	-	-	-	-	-	-	-
New assets originated*	7,88,306	80,278	744	8,69,328	7,89,467	31,015	4,869	8,25,351
Gross carrying amount closing balance	**13,79,184**	**3,30,189**	**1,17,472**	**18,26,845**	**13,91,831**	**2,27,779**	**1,19,042**	**17,38,652**

* New assets originated are those assets which have originated during the year.

** Represents the balance outstanding as at beginning of the year, net of repayments made during the year, if any. The repayments are forming part of "Assets derecognised or repaid".

Reconciliation of ECL balance is given below:

INR in Lakhs

Particulars	31st Mar 2020				31st Mar 2019			
	Stage 1	Stage 2	Stage 3	Total	Revised Stage 1	Stage 2	Revised Stage 3	Total
ECL allowance - opening balance	**3,434**	**1,159**	**45,376**	**49,968**	**5,240**	**1,404**	**43,681**	**50,325**
Assets derecognised or repaid (excluding write offs)	(1,283)	(392)	(6,330)	(8,005)	(2,016)	(275)	(9,230)	(11,521)
Transfers from Stage 1	(748)	467	6,024	5,743	(749)	673	14,173	14,097
Transfers from Stage 2	101	(483)	7,209	6,827	97	(538)	2,258	1,817
Transfers from Stage 3	4	8	(6,687)	(6,674)	13	13	(2,716)	(2,690)
New assets originated and incremental charge during the year	4,537	283	8,596	13,415	2,484	46	9,676	12,206
Write offs during the year	-	-	(1,104)	(1,104)	-	-	(9,618)	(9,618)
Transfer to OCI	454	(233)	(4,254)	(4,034)	(1,634)	(164)	(2,848)	(4,646)
Closing provision of ECL	**6,498**	**809**	**48,830**	**56,137**	**3,434**	**1,159**	**45,376**	**49,968**

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.The main types of collateral obtained are, vehicles, loan portfolios and mortgaged properties based on the nature of loans. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement. The Group advances loan to maximum extent of 70% of the value of the mortgaged properties and 100% in case of vehicles respectively.

The Company also physically repossess commercial vehicles for the recovery of loans. These balances are also disclosed in loan to customers as such repossessed assets are disposed.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of the aforesaid balances.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due.

The Company is monitoring its liquidity risk by estimating the future inflows and outflows during the start of the year and planned accordingly the funding requirement. The Company manages its liquidity by unutilised cash credit facility, term loans and direct assignment.

The composition of the Company's liability mix ensures healthy asset liability maturity pattern and well diverse resource mix.

The total cash credit limit available to the Company is Rs 1,475 crores spread across 16 banks. The utilization level is maintained in such a way that ensures sufficient liquidity on hand.

The Company's portfolio is loans which qualifies as Priority Sector Lending. The Company has also made sales through direct assignment route (off book) approximately 10% to 25% of assets under management. This further strengthens the liability management.

The table below summarises the maturity profile of the Company's non derivative financial liabilities based on contractual undiscounted payments along with its carrying value as at the balance sheet date.

INR in Lakhs

As at 31st March, 2020	Carrying amount	Contractual cash flows			
		0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	1,957	1,957	-	-	-
Borrowings	14,78,793	5,26,310	7,57,812	1,94,218	453
Debt Securities	88,300	61,602	26,698	-	-
Subordinated liabilities	1,31,588	20,570	40,477	70,541	-
Lease liability	2,608	967	1,048	275	318
Other financial liabilities	39,725	35,639	3,924	-	162
Total	**17,42,971**	**6,47,045**	**8,29,959**	**2,65,034**	**933**

INR in Lakhs

As at 31st March 2020	Contractual cash flows				
	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial assets					
Cash and Cash Equivalents	82,879	82,879			
Bank balances other than (a) above	14,610	14,610			
Loans	17,70,708	7,04,350	6,96,680	1,94,374	1,75,304
Investments	77,684	17,681	28,382	9,573	22,048
Other financial assets	1,12,328	76,238	26,731	8,782	577
Total	**20,58,209**	**8,95,758**	**7,51,793**	**2,12,729**	**1,97,929**

INR in Lakhs

As at 31st March 2019	Contractual cash flows				
	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	314	314	-	-	-
Borrowings	13,51,684	5,42,807	6,39,897	1,63,119	5,861
Debt Securities	2,05,615	1,12,175	93,440	-	-
Subordinated liabilities	1,43,408	11,000	39,500	23,000	69,908
Other financial liabilities	45,026	30,560	10,715	3,520	231
Total	**17,46,047**	**6,96,856**	**7,83,552**	**1,89,639**	**76,000**
Financial assets					
Cash and Cash Equivalents	24,227	24,227	-	-	-
Bank balances other than (a) above	11,840	11,840	-	-	-
Loans	16,88,684	7,15,115	6,54,861	2,15,653	1,03,055
Investments	1,29,870	77,407	26,467	6,996	19,000
Other financial assets	1,51,746	1,02,991	36,111	11,863	781
Total	**20,06,367**	**9,31,580**	**7,17,439**	**2,34,512**	**1,22,836**

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk and foreign currency risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's investment in bank deposits and variable interest rate lending. Whenever there is a change in borrowing interest rate for the Company, necessary change is reflected in the lending interest rates over the timeline in order to mitigate the risk of change in interest rates of borrowings.

Fair value sensitivity analysis for Floating-rate instruments

The sensivity analysis below have been determined based on exposure to the interest rates for financial instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of instruments that have floating rates. A 25 basis points increase or decrease is used when reporting interest rate risk internally to key managament personnel and represents management's assessment of the reasonably possible change in interest rates

If interest rates had been 25 basis points higher or lower and all other variables were constant, the Company's profit before tax would have changed by the following: Loans extended by the Company are fixed and floating rate loans.

The sensitivity analysis have been carried out based on the exposure to interest rates for term loans from banks, debt securities and borrowings carried at variable rate.

INR in Lakhs

Particulars	For the year ended 31st Mar 2020		For the year ended 31st Mar 2019	
Change in interest rates	**25 bps increase**	**25 bps decrease**	**25 bps increase**	**25 bps decrease**
Impact on profit for the year	(2,969)	2,969	(2,923)	2,923

(v) Foreign currency risk

The Company does not have any instrument denominated or traded in foreign currency. Hence, such risk does not affect the Company.

47 TRANSFER PRICING

The Company has domestic transactions with related parties. The management confirms that it maintains documents required by the relevant provisions of the Income-tax Act, 1961 to prove that these transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

48 The disclosures required in terms of Annexure II of the Master Direction - Non-Banking Financial Company - Systemically Important Non- Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 are given in Annexure B forming part of these Financial Statements.

49 The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package dated 27th March, 2020 and 17th April, 2020 and 22nd May, 2020 and in accordance therewith, the Company has proposed a moratorium of three months on the payment of all principal instalments and/ or interest, as applicable falling due between April 2020 and 31st May, 2020 to all eligible borrowers classified as standard, even if overdue as on 29th February, 2020, excluding the collections made/already made in the month of March 2020 as per the RBI guidelines and approval by its Board of directors.

Further, the Company has, based on current available information and based on the policy approved by the Board, determined the provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information including credit reports and economic forecasts upto the date of approval of these financial results. Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets.

The extent to which the COVID-19 pandemic will impact the Company's future results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company. Given the uncertainty over the potential macro- economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results, and the Company will continue to closely monitor any material changes to future economic conditions.

50 SUBSEQUENT EVENTS

There are no significant subsequent events that have occurred after the reporting period till the date of these financial statements.

51 PREVIOUS YEAR FIGURES

Previous year figures have been restated / regrouped / re-classified wherever necessary in line with the financial results for the year ended 31st March, 2020.

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993TN2008PLC069837

Dheeraj G Hinduja
Chairman
DIN No : 00133410

S Nagarajan
Executive Vice Chairman
DIN No : 00009236

Sachin Pillai
Managing Director & CEO
DIN No : 06400793

Kishore Kumar Lodha
Chief Financial Officer

B Shanmugasundaram
Company Secretary
Membership No: F5949

Place : Chennai
Date : 20th June, 2020

Annexures forming part of Standalone Financial Statements for the year ended 31st March, 2020

ANNEXURE A

Disclosures required in terms of Annexure XIV of the RBI Master Direction DNBR. PD. 008/03.10.119/2016-17 dated 1st September 2016 (Updated as on 22nd February 2019) "Master Direction - Non-Banking Financial Company - Systemically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

A. Capital

Particulars	**As at 31st Mar 2020**	**As at 31st Mar 2019**
CRAR %	17.25%	16.97%
CRAR - Tier I Capital %	14.44%	11.06%
CRAR - Tier II Capital %	2.81%	5.91%
Amount of subordinated debt raised as Tier II Capital (INR In Lakh)	Nil	89,300
Amount raised by issue of perpetual debt instruments (INR In Lakh)	Nil	Nil

Note: Capital to risk asset ratio (CRAR) has been arrived on the basis of Ind AS financial statements in consideration of the following:

a. Other comprehensive income has not been considered in calculations as of 31st Mar 2020 while it has been considered in the calculations of 31st Mar 2019.

b. Expected credit Loss (ECL) provision on Stage 1 is considered as contingency provision for the purposes of Tier II Capital.

c. Receivable from HLF Services Limited (Associate Company): These balances are receivables from services rendered and are not loan balances. Therefore, these have not been deducted from net-owned funds.

d. ECL provision with respect to stage 3 assets has been netted off in determination of risk weighted assets.

B. Investments

INR in Lakhs

	Particulars	**As at 31st Mar 2020**	**As at 31st Mar 2019**
1	Value of investment		
	(i) Gross value of investment		
	(a) In India	77,684	1,29,870
	(b) Outside India	Nil	Nil
	(ii) Provision for depreciation		
	(a) In India	Nil	Nil
	(b) Outside India	Nil	Nil
	(iii) Net Value of Investment		
	(a) In India	77,684	1,29,870
	(b) Outside India	Nil	Nil
2	Movement of provisions held towards depreciation on investments		
	(i) Opening balance	Nil	701
	(ii) Add : Provisions made during the year	Nil	Nil
	(iii) Less : Write-off / write-back of excess provisions during the year	Nil	701
	(iv) Closing balance	Nil	Nil

Note: Previous year balances have been reported on the basis of the Ind AS financial statements.

C. Derivatives

There have been no forward rate contracts / interest rate swaps or any other derivative transactions carried out by the Company during the year ended 31st March, 2020 and 31st March, 2019.

D. Disclosures relating to securitisation

i) Outstanding amount of securitised assets as per the books of the SPVs

INR in Lakhs

	Particulars	As at 31st Mar 2020	As at 31st Mar 2019
1	No of SPVs sponsored for securitisation transactions	5	4
2	Total amount of securitised assets as per the books of the SPVs sponsored	51,133	43,282
3	Total amount of exposure retained by the NBFC to comply with Minimum Retention Requirement (MRR) as on the date of balance sheet		
	a) Off-balance sheet exposure		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposure		
	- First loss	12,287	7,425
	- Others	505	1,937
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposure		
	i) Exposure to own securitisation		
	- First loss	-	-
	- Others	4,558	4,552
	ii) Exposure to third party securitisation		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisation		
	- First loss	-	-
	- Others	5,804	4,164
	ii) Exposure to third party securitisation		
	- First loss	-	-
	- Others	41,425	61,578

Note: The above are inclusive of the securitisation transactions which have not been de-recognised in the books of account in accodance with Ind AS 109.

ii) Details of financial assets sold to securitisation / reconstruction company for asset reconstruction

The Company has not sold financial assets to securitisation / reconstruction company for asset reconstruction during the year (previous year Nil), (also refer note D(iv) to Annexure A)

iii) Details of assignment transactions undertaken

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Number of accounts	30,464	33,394
Aggregate value (net of provisions) of accounts sold	4,08,165	3,80,796
Aggregate consideration	4,08,165	3,80,796
Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
Aggregate gain/ loss over net book value	Nil	Nil

iv) Details of non-performing financial assets purchased/ sold

i) Details of non-performing financial assets purchased

The Company has not purchased any non-performing assets during the financial year ended 31st March, 2020 and 31st March, 2019.

ii) Details of non-performing financial assets sold

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Number of accounts sold	-	-
Aggregate outstanding, net of provisions	-	-
Aggregate consideration received	-	-

Note: The Company has not de-recognised these assets in accordance with Ind AS 109 read with Ind AS 110.

v) Details of net book value of investments in security receipts

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Backed by non-performing assets sold by the Company as underlying	-	-
Backed by non-performing assets sold by other banks / financial institutions / nonbanking financial	Nil	Nil
Total book value of investments in security receipts	-	-

Note: Refer note D(iv) to Annexure A

E. Assets liability management maturity pattern of certain items of assets and liabilities

As at 31st March, 2020

INR in Lakhs

Particulars	Upto 30/31 days	Over 1 month & upto 2 months	Over 2 month & upto 3 months	Over 3 month & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances*	73,095	45,614	50,423	1,31,494	3,93,724	7,30,460	1,94,374	1,75,304	17,94,488
Investment	236	354	1,551	701	14,838	28,382	9,573	22,048	77,684
Borrowings	51,832	34,045	1,07,396	1,10,941	3,04,268	8,24,986	2,64,759	453	16,98,681
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

* Advances for the purpose of the above;

- the advances are gross of impairment loss allowance.

- includes dealer trade advances amounting to Rs 29,660 lakhs and included in the ratio of 15%, 40% and 45% in the buckets of 15 days to 1 month, 1-2 months and 2-3 months.

- excludes gain on fair valuation of loans amounting to Rs 52,476 lakhs.

- excludes unamortised component of loan origination cost/income (net) amounting to Rs 9,542 lakhs.

- includes repossessed assets amounting to Rs 53,448 lakhs (net of expected credit loss), for which the cash inflows are expected to come over a 3 months period and included in the 8-14 days, 1-2 months and 2-3 months equally.

Note: Advances and borrowings are inclusive of the securitisation transactions which have not been de-recognised in the books of accounts in accordance with Ind AS 109.

As at 31st March 2019

INR in Lakhs

Particulars	Upto 30/31 days	Over 1 month & upto 2 months	Over 2 month & upto 3 months	Over 3 month & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances#	59,435	83,332	1,14,543	1,72,065	2,85,740	6,54,861	2,15,653	1,89,584	17,75,213
Investment	6,353	5,203	4,756	13,765	47,330	26,467	5,839	19,000	1,29,870
Borrowings	40,499	94,102	1,30,671	1,31,855	2,58,229	7,72,834	1,84,562	65,033	16,77,785
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

Advances for the purpose of the above;

- the advances are gross of impairment loss allowance.

- includes dealer trade advances amounting to Rs 85,799 lakhs and included in the ratio of 15%, 40% and 45% in the first three buckets considering expected settlement.

- excludes gain on fair valuation of loans amounting to Rs 30,028 lakhs.

- excludes unamortised component of loan origination cost/income (net) amounting to Rs 5,343 lakhs.

- includes repossessed assets amounting to Rs 40,447 lakhs (net of expected credit loss), for which the cash inflows are expected to come over a 3 months period and included in the first three buckets equally.

Note: Advances and borrowings are inclusive of the securitisation transactions which have not been de-recognised in the books of accounts in accordance with Ind AS 109.

F. Exposures

1 Exposure to real estate sector

INR in Lakhs

Particulars		As at 31st Mar 2020	As at 31st Mar 2019
A	**Direct exposure**		
(i)	Residential mortgages Lending fully secured by mortgages on residential property that is or will be occupied by the borrower of that is rented; (Individual housing loans up to Rs 15 lakh may be shown separately)	2,12,405	1,66,416
(ii)	Commercial real estate Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure shall also include non-fund based limits	82,554	67,271
(iii)	Investments in mortgage backed securities (MBS) and other securitised exposures		
	a. Residential	Nil	Nil
	b. Commercial real estate	Nil	Nil
B	**Indirect exposure** Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	**12,652**	**35,183**

2 Exposure to capital market

INR in Lakhs

Particulars		As at 31st Mar 2020	As at 31st Mar 2019
i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity- oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	19,002	15,002
ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds /		

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii) bridge loans to companies against expected equity flows / issues;	-	-
viii) all exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total exposure to capital market	**19,002**	**15,002**

G. Details of financing of parent company products

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Loan outstanding as at year end out of the amount financed to parent company products (i)	4,95,792	5,39,813
Company portfolio (ii)	18,26,845	17,38,652
Percentage of financing for parent product upon Company's portfolio ((i) / (ii))	27.14%	31.05%

Note:

i) Company portfolio is gross of impairment loss allowance.

ii) Previous year balances have been reported on the basis of Ind AS financial statements.

iii) Loan outstanding as at year end out of the amount financed to parent company products does not include contracts that have been sold as part of assignment transactions.

H. Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL)

The Company has not exceeded the prudential exposure limits during the year ended 31st March, 2020 and 31st March, 2019.

I. Unsecured advances

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
a) Unsecured advances	29,660	1,25,299
b) The Company has not granted any advances against intangible securities (31st March, 2018: Nil).		

Note: 1. Previous year balances have been reported on the basis of the Ind AS financial statements.

2. Unsecured advances includes inter-corporate deposits (also refer note 46) and dealer trade advances.

J. Registration/ licence/ authorization obtained from other financial sector regulators

Registration/ License	Authority issuing the registration/ license	Registration/ License reference
Certificate of registration	Reserve Bank Of India	N-07-00782 dated 22 March 2010
NBFC-AFC – Regularization	Reserve Bank Of India	DNBS.Che/2165/13.27.068/ 2013-14 dated 12 May 2014

K. Disclosure of penalties imposed by RBI and other regulators

There has been no penalty imposed by RBI and other regulators during the year ended 31st March, 2020 and 31st March, 2019.

L. Related Party Transactions

Refer Note 39 and 46 to the Ind AS financial statements.

M. Ratings assigned by credit rating agency and migration of ratings during the year

Facility / Rating agency	Rating assigned		
	CRISIL	CARE	India Rating
Redeemable non-convertible debentures	AA-	AA-	Not applicable
Subordinated redeemable non-convertible debentures	AA-	AA-	AA-
Commercial paper	A1+	A1+	Not applicable
Bank facilities	AA-	AA-	Not applicable
Date of rating	27-Mar-20	26-Sep-19	

During the year ended 31st March, 2020, there are no other changes in the rating, except that the rating of ICRA Limited for sub debt instruments has been surrendered.

N. Remuneration of Directors

Refer Note 39 to the Ind AS financial statements.

O. Provisions and contingencies

INR in Lakhs

Break up of provisions and contingencies shown in the statement of profit and loss	Year ended 31st Mar 2020	Year ended 31st Mar 2019
Provision for depreciation on investment	-	-
Provision towards expected credit loss	11,575	18,558
Provision made towards income tax	14,706	14,721
Other provisions and contingencies	-	-

P. Draw down from reserves

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Drawdown from reserves	-	-

Q. Concentration of deposits

Not applicable

R. Concentration of advances*, exposure# and Stage 3 assets

INR in Lakhs

	Particulars	As at 31st Mar 2020	As at 31st Mar 2019
1	**Concentration of advances**		
	Total advances to twenty largest borrowers	77,659	73,662
	Percentage of Advances to twenty largest borrowers to Total Advances ** of the NBFC	4.25%	4.24%
2	**Concentration of exposures**		
	Total Exposure to twenty largest borrowers / customers	1,14,898	1,06,304
	Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	6.29%	5.92%
3	**Concentration of stage 3 assets**		
	Total exposure to top four stage 3 assets	3,125	2,652

* Advances represents the outstanding balances as at the respective year end.

Exposure represents the total amount financed as at the respective year end.

Represents Company portfolio as mentioned in Note G to the Annexure A.

S. Sector wise Stage 3 assets (Gross) - Percentage of Stage 3 assets to total advances in that sector

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Agriculture & allied activities	7.04%	10.06%
MSME	8.33%	8.65%
Corporate borrowers **	Nil	Nil
Services	Nil	Nil
Unsecured personal loans	Nil	Nil
Auto loans	8.77%	8.23%
Other personal loans	Nil	Nil

** corporate borrowers is included in the respective sector.

T. Comparison between ECL as per books and RBI provision calculated as per the IRACP norms are as follows:

INR in Lakhs

Asset Classification as per RBI Norms (1)	Asset Classification as per INDAS (2)	Gross Carrying amount as per INDAS (3)	Loss Allowances (Provisions) as required under Ind AS 109 (4)	Net Carrying Amount (5) = (3) - (4)	Provisions required as per IRACP norms (6)	Difference between Ind AS 109 provisions and IRACP norms (7) = (4) - (6)
Performing assets						
Standard	Stage 1	14,01,831	3,485	13,98,346	5,607	(2,123)
	Stage 2	3,30,189	809	3,29,381	1,321	(512)
Subtotal		**17,32,020**	**4,293**	**17,27,727**	**6,928**	**(2,635)**

INR in Lakhs

Asset Classification as per RBI Norms (1)	Asset Classification as per INDAS (2)	Gross Carrying amount as per INDAS (3)	Loss Allowances (Provisions) as required under Ind AS 109 (4)	Net Carrying Amount (5) = (3) - (4)	Provisions required as per IRACP norms (6)	Difference between Ind AS 109 provisions and IRACP norms (7) = (4) - (6)
Non performing assets						
Substandard	**Stage 3**	**42,405**	**11,767**	**30,638**	**4,241**	**7,526**
Doubtful						
- upto 1 year	Stage 3	28,653	12,889	15,764	6,896	5,993
1 to 3 years	Stage 3	33,773	16,044	17,730	13,028	3,016
More than 3 years	Stage 3	21,160	11,144	10,017	13,118	(1,974)
Subtotal - Doubtful		**83,587**	**40,076**	**43,511**	**33,042**	**7,034**
Loss assets	Stage 3	-	-	-	-	-
Subtotal - NPA		**1,25,992**	**51,843**	**74,149**	**37,283**	**14,560**
Total	Stage 1	14,01,831	3,485	13,98,346	5,607	(2,123)
	Stage 2	3,30,189	809	3,29,381	1,321	(512)
	Stage 3	1,25,992	51,843	74,149	37,283	14,561
	Total	**18,58,012**	**56,137**	**18,01,876**	**44,211**	**11,926**

U. Movement of Stage 3 assets

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
(i) Net Stage 3 assets to Net Advances (%)		
(a) On total asset under management (refer note 1)	2.64%	3.04%
(b) On own book asset under management (refer note 2 & 3)	4.11%	4.12%
(ii) Movement of Stage 3 assets (Gross)		
(a) Opening balance	1,19,042	97,777
(b) Additions during the year	41,100	47,973
(c) Reductions during the year	34,149	26,708
(d) Closing balance	1,25,992	1,19,042
(iii) Movement of Net Stage 3 assets		
(a) Opening balance	73,666	54,096
(b) Additions during the year	33,528	36,660
(c) Reductions during the year	33,045	17,090
(d) Closing balance	74,149	73,666
(iv) Movement of provisions for Stage 3 assets (excluding provisions on stage 1 and 2 assets)		
(a) Opening balance	45,376	43,681
(b) Provisions made during the year	7,572	11,313
(c) Write-off / write-back of excess provisions	1,104	9,618
(d) Closing balance	51,843	45,376

Note:

1. For the purpose of the Net Stage 3 assets to Net Advances %, Stage 3 assets are assets defined as Stage 3 assets as per the ECL model of the Company. Total assets under

management include retail loans, corporate term loans, inter-corporate deposits, fixed deposits, assets acquired in satisfaction of debt, assigned contract balances, investment in pass through securities, investment in debentures, investment in funds and dealer trade advances/ balances.

2. For the purpose of the Net NPAs to Net Advances % on own book - Asset under management, NPAs include Stage 3 assets as per the ECL model of the company and certain portion of assets acquired under satisfaction of debt which are also treated as NPAs for the purpose of regulatory reporting.

3. For the purpose of the Net NPAs to Net Advances % on own book - Asset under management, Net advances include retail loans, corporate term loans, inter-corporate deposits, dealer trade advances, unquoted investment in debentures and certain portion of assets acquired under satisfaction of debt which are also treated as Loans for the purpose of regulatory reporting.

V. Overseas assets (for those with joint ventures and subsidiaries abroad)

The Company does not have any joint ventures and subsidiaries abroad during the year ended 31st March, 2020 and 31st March, 2019 and hence this disclosure is not applicable.

W. Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

There were no off-balance sheet SPVs sponsored by the Company during the year ended 31st March, 2020 and 31st March, 2019.

X. Customer complaints*

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
No. of complaints pending at the beginning of the year	353	128
No. of complaints received during the year	4,954	7,003
No. of complaints redressed during the year	4,489	6,778
No. of complaints pending at the end of the year	818	353

* As per the records of the Company.

Y. Disclosure of Frauds as per the Master Direction DNBS. PPD.01/66.15.001/2016-17, dated 29th September 2016

INR in Lakhs

	Less than Rs.1 Lakh		Rs.1Lakh to Rs. 25 Lakhs		Above Rs.25 Lakhs	
	No's	Value	No's	Value	No's	Value
Person involved						
Staff	-	-	2.00	9.39	-	-
Staff and Outsiders	-	-	-	-	-	-
Total	**-**	**-**	**2.00**	**9.39**	**-**	**-**

INR in Lakhs

	Less than Rs.1 Lakh		Rs.1Lakh to Rs. 25 Lakhs		Above Rs.25 Lakhs	
	No's	Value	No's	Value	No's	Value
Type of fraud						
Misappropriation and criminal breach of trust	-	-	2.00	9.39	-	-
Cheating and forgery	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	**-**	**-**	**2.00**	**9.39**	**-**	**-**

Note: Based on the filings made by the Company with the Reserve Bank of India.

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993TN2008PLC069837

Dheeraj G Hinduja
Chairman
DIN No : 00133410

S Nagarajan
Executive Vice Chairman
DIN No : 00009236

Sachin Pillai
Managing Director & CEO
DIN No : 06400793

Kishore Kumar Lodha
Chief Financial Officer

B Shanmugasundaram
Company Secretary
Membership No: F5949

Place : Chennai
Date : 20th June, 2020

ANNEXURE B: Disclosure required as per Annexure II of the Master Direction DNBR PD 008/03.110.119/2016-17 issued by RBI

INR in Lakhs

	Particulars	Amount Outstanding as at		Amount overdue as at	
		31st Mar 2020	31st Mar 2019	31st Mar 2020	31st Mar 2019
1	**Liabilities: Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid**				
	(a) Debentures				
	-Secured	88,300	2,05,615	Nil	Nil
	-Unsecured	Nil	Nil	Nil	Nil
	(b) Subordinated liabilities	1,31,588	1,43,408	Nil	Nil
	(c) Deferred credits	Nil	Nil	Nil	Nil
	(d) Term loans	14,31,955	12,01,868	Nil	Nil
	(e) Inter-corporate loans and borrowings	Nil	Nil	Nil	Nil
	(f) Public deposits	Nil	Nil	Nil	Nil
	(g) Commercial paper	Nil	1,12,941	Nil	Nil
	(h) Other loans (Represents cash credits and working capital demand loans from banks)	46,838	36,875	Nil	Nil
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	Nil	Nil	Nil	Nil
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil	Nil	Nil
	(c) Other public deposits	Nil	Nil	Nil	Nil

Assets Side

INR in Lakhs

	Particulars	Amount outstanding as at	
		31st Mar 2020	31st Mar 2019
3	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below]**		
	(a) Secured	18,28,352	17,02,152
	(b) Unsecured	29,660	1,25,299

INR in Lakhs

Particulars	Amount outstanding as at 31st Mar 2020	Amount outstanding as at 31st Mar 2019
4 Break up of Leased Assets and Stock on Hire and other Assets counting towards asset financing activities		
(i) Lease Assets including Lease rentals under sundry debtors:		
(a) Financial Lease	Nil	Nil
(b) Operating Lease	Nil	Nil
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	Nil	Nil
(b) Repossessed Assets	Nil	Nil
(iii) Other Loans counting towards asset financing activities		
(a) Loans where assets have been repossessed (net of impairment loss allowance)	5,490	3,640
(b) Loans other than (a) above	18,52,522	18,23,810
5 Breakup of investments		
Current Investments		
I Quoted:		
(i) Shares : (a) Equity	Nil	Nil
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	7,250	39,790
(iii) Units of Mutual Fund	Nil	Nil
(iv) Government Securities	Nil	Nil
(v) Others (Please Specify)	Nil	Nil
II Unquoted:		
(i) Shares : (a) Equity	Nil	Nil
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	757	3,000
(iii) Units of Mutual Fund	Nil	Nil
(iv) Government Securities	Nil	Nil
(v) Others (Pass through securities)	15,523	72,078
Long term investments		
I Quoted:		
(i) Shares : (a) Equity	Nil	Nil
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	500	8,833
(iii) Units of Mutual Funds	Nil	Nil
(iv) Government Securities	Nil	Nil
(v) Others (Please Specify)	Nil	Nil
II Unquoted:		
(i) Shares : (a) Equity	19,002	15,002
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	750	Nil
(iii) Units of Mutual Funds	8,000	10,000
(iv) Government Securities	Nil	Nil
(v) Others (Pass through securities and security receipts)	25,902	33,836

6 **Borrower group-wise classification of assets financed as in (3) and (4) above**

INR in Lakhs

Category	Amount, net of provisions					
	As at 31st Mar 2020			As at 31st Mar 2019		
	Secured	Unsecured	Total	Secured	Unsecured	Total
a. Related parties						
(i) Subsidiaries	-	-	-	-	-	-
(ii) Companies in the same group	-	-	-	-	39,500	39,500
(iii) Other related parties	-	-	-	-	713	713
b. Other than related parties	18,58,012	-	18,58,012	17,87,237	-	17,87,237
Total	**18,58,012**	**-**	**18,58,012**	**17,87,237**	**40,213**	**18,27,450**

7 **Investor group-wise classification of all Investments (Current and Long-term) in Shares and Securities (both quoted and unquoted)**

INR in Lakhs

Particulars	As at 31st Mar 2020		As at 31st Mar 2019	
	Market value/ Break up of fair value or NAV	Book value (Net of provisions)	Market value/ Break up of fair value or NAV	Book value (Net of provisions)
1 Related Parties				
(a) Subsidiaries	19,000	19,000	15,000	15,000
(b) Companies in the same group	2	2	2	2
(c) Other Related Parties	-	-	-	-
2 Other than Related Parties	-	-	-	-
Total	**19,002**	**19,002**	**15,002**	**15,002**

8 **Other information**

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
(i) Gross Stage 3 assets		
a) Related Parties	Nil	Nil
b) Other than related parties	1,25,992	1,19,042
(ii) Net Stage 3 assets		
a) Related Parties	Nil	Nil
b) Other than related parties	74,150	73,666
(iii) Assets Acquired in satisfaction of Debt	5,490	3,640

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993TN2008PLC069837

Dheeraj G Hinduja
Chairman
DIN No : 00133410

S Nagarajan
Executive Vice Chairman
DIN No : 00009236

Sachin Pillai
Managing Director & CEO
DIN No : 06400793

Kishore Kumar Lodha
Chief Financial Officer

B Shanmugasundaram
Company Secretary
Membership No: F5949

Place : Chennai
Date : 20th June, 2020

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HINDUJA LEYLAND FINANCE LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Hinduja Leyland Finance Limited** ("the Parent") and its subsidiary, (the Parent Company and its subsidiary together referred to as "the Group") which includes the Group's share of profit in its associate, comprising the Consolidated Balance Sheet as at 31st March, 2020, and the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2020 and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditors' Responsibility for the Audit of the Consolidated Financial Statements Section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note 49 to the consolidated financial statements, which describes the potential impact of the COVID-19 Pandemic on the results of the Parent and its subsidiary and consequently the Group's results are dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters, were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Description of Key Audit Matters

Key Audit Matters	How the matter was addressed in our Audit
1. Impairment of Financial Assets Management estimates impairment provision using Expected Credit loss model (ECL) for the loan exposure. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are: • Timely identification and classification of the impaired loans, and • Determination of probability of defaults (PD) and estimation of loss given defaults (LGD) based on the value of collaterals and relevant factors The estimation of Expected Credit Loss on financial instruments involve significant judgements and estimates. Following are points with increased level of audit focus: • Classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109; • Accounting interpretations, modelling assumptions and data used to build and run the models; • Measurement of individual borrowers' capacity including COVID-19 impact assessment of multiple economic scenarios; • Inputs and Judgements used in determination of management overlay at various asset stages considering the current uncertain economic environment with the range of possible effects unknown to the country arising out of the COVID-19 Pandemic which also include considering the impact of recent RBI's COVID-19 regulatory circular and The disclosures made in financial statements for ECL especially in relation to judgements and estimates made by the Management in determination of the ECL. Refer note 46 to the standalone financial statements.	**Principal audit procedures performed:** • We examined Board Policy approving methodologies for computation of ECL that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures, commensurate with the size, complexity and risk profile specific to the Company. The parameters and assumptions used and their rationale and basis are clearly documented. • We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates. • These controls, among others, included controls over the allocation of assets into stages including management’s monitoring of stage effectiveness, model monitoring including the need for post model adjustments, model validation, credit monitoring, multiple economic scenarios, individual provisions and recording of journal entries and disclosures. • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of 31 March 2020 by reconciling it with the balances as per loan balance register and loan commitment report as on that date. • Engage independent modelling specialist to test the methodology and reasonableness of assumptions; • We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD Test of details over calculation of impairment allowance for assessing completeness and accuracy of data

<table>
<tr><th>Key Audit Matters</th><th>How the matter was addressed in our Audit</th></tr>
<tr><td></td><td>

For exposure determined to be individually impaired, we tested a samples of loans and advances and examined management's estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations.
We performed an overall assessment of the ECL provision levels at each stage including management's assessment on COVID-19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment.
We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.

</td></tr>
<tr><td>
2. Valuation of Financial Instruments
Financial Instruments carried at Fair value and measured at fair value through other comprehensive income, account for a significant part of the Company's assets.
The valuation of the Company's financial instruments is based on a combination of market data and valuation models which often require significant management judgement. The most significant judgements are:

Assessing the fair value of financial instruments based on the significant degree of judgement exercised by management in determining the inputs used in the valuation.

Refer Note 2 and 45 to the standalone financial statements for accounting policy, valuation and the related disclosures in respect of the financial instruments.
Following are points with increased level of audit focus:
</td><td>
Our audit procedures include:

Obtain an understanding of the fair valuation methodology;
Obtained valuation reports, considered by the Company;
Engaging independent valuation specialist to assist us in the evaluation of valuation models used by the Company.
Testing the design and operating effectiveness of controls over the
(1) management's methodology for determining Fair Value, including consideration of the current and estimated future economic conditions
(2) completeness and accuracy of information used in determining Fair Value.

</td></tr>
</table>

Information Other than the Financial Statements and Auditors' Report Thereon

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report and Corporate Governance Report (but does not include the financial statements and our auditors' report thereon) which we obtained prior to the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 or cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Group's financial reporting process.

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated 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 consolidated 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements of 1 associate whose financial statements reflect total assets of Rs. 70,97,33,412 as at 31st March, 2020, total revenues of Rs. 1,13,26,85,912 and net cash inflows/ (outflows) amounting to Rs. (19,82,56,052) for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/loss of Rs. 65,02,812 for the year ended 31st March, 2020, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditors.

(a) The comparative financial information of the Company for the year ended March 31, 2019 prepared in accordance with Ind AS included in these consolidated financial statements have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information dated 22nd May 2019 expressed an unmodified opinion.

Our opinion on the consolidated financial statements is not modified in respect of the above matter on the comparative financial information.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements, subsidiaries, associates referred to in the Other Matters section above we report, to the extent applicable that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent and taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary company and associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on auditor's reports of the Parent, subsidiary company and associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of Section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate (Refer note 38 to the consolidated financial statements);

ii. the Group and its associate company did not have any material foreseeable losses on long-term contracts including derivative contracts, as at the year-end;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies and associate company incorporated in India.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

G. K. Subramaniam
(Partner)
(Membership No. 109839)
UDIN:20109839AAAAIZ6033

Place: Mumbai
Date: 20th June, 2020

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph (f)under 'Report on Other Legal and Regulatory Requirements'section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2020, we have audited the internal financial controls over financial reporting of **Hinduja Leyland Finance Limited** (hereinafter referred to as "the Parent") and its subsidiary companies, and its associate company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India and where such reporting under Section 143(3) of the Act is applicable, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India and where such reporting under Section 143(3) of the Act is applicable.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and its associate company, which are companies incorporated in India and where such reporting under Section 143(3) is applicable, have, 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 March 31, 2020, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

G. K. Subramaniam
(Partner)
(Membership No. 109839)
UDIN:20109839AAAAIZ6033

Place: Mumbai
Date: 20th June, 2020

Consolidated Balance Sheet as at 31st March, 2020

INR in Lakhs

Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
ASSETS			
Financial assets			
Cash and cash equivalents	6	84,269	25,354
Bank balance other than cash and cash equivalents	7	14,610	11,840
Receivables	8		
(i) Trade receivables		-	-
(ii) Other receivables		22,540	15,631
Loans	9	1,932,883	1,819,260
Investments	10	63,340	120,025
Other financial assets	11	90,264	137,211
		2,207,906	**2,129,321**
Non-Financial Assets			
Current tax assets (net)		7,604	7,462
Property, plant and equipment	12	5,156	5,107
Capital work-in-progress		116	-
Other intangible assets	12A	63	32
Right of use assets	12B	2,650	-
Other non-financial assets	13	2,971	1,560
		18,560	**14,161**
Total assets		**2,226,466**	**2,143,482**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
Trade payables	14		
(i) dues of micro enterprises and small enterprises		-	-
(ii) dues other than micro enterprises and small enterprises		2,139	357
Debt securities	15	88,300	205,615
Borrowings (other than debt securities)	16	1,621,015	1,470,319
Subordinated liabilities	17	131,588	143,408
Other financial liabilities	18	42,625	45,358
		1,885,667	**1,865,057**
Non-Financial Liabilities			
Provisions	19	402	252
Deferred tax liabilities (net)	33	7,359	785
Other non-financial liabilities	20	546	663
		8,307	**1,700**
EQUITY			
Equity share capital	21	46,975	46,967
Other equity	22	285,517	229,758
		332,492	**276,725**
Total Liabilities and Equity		**2,226,466**	**2,143,482**

The notes referred to above form an integral part of these consolidated financial statements

As per our report of even date
for Deloitte Haskins & Sells
Chartered Accountants
Firm's registration number: 008072S

G.K.Subramaniam
Partner
Membership No: 109839

Place : Mumbai
Date : 20th June, 2020

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993TN2008PLC069837

Dheeraj G Hinduja
Chairman
DIN No : 00133410

S Nagarajan
Executive Vice Chairman
DIN No : 00009236

Sachin Pillai
Managing Director & CEO
DIN No : 06400793

Kishore Kumar Lodha
Chief Financial Officer

B Shanmugasundaram
Company Secretary
Membership No: F5949

Place : Chennai
Date : 20th June, 2020

Consolidated Statement of Profit and Loss for the year ended 31st March, 2020

INR in Lakhs

Particulars	Note No.	Year Ended 31st March 2020	Year Ended 31st March 2019
Revenue from operations			
Interest income	23	286,810	238,279
Fees and commission income	24	5,465	4,833
Net gain on derecognition of financial instruments	25	18,751	16,816
Income from other services	26	2,615	11,232
Total revenue from operations		**313,641**	**271,160**
Expenses			
Finance costs	27	166,545	140,197
Fees and commission expense	28	8,722	6,229
Impairment on financial instruments	29	63,034	57,295
Employee benefits expenses	30	15,978	12,207
Depreciation, amortization and impairment	31	1,161	721
Others expenses	32	10,183	8,881
Total expenses		**265,623**	**225,530**
Profit before share of profit of equity accounted investee and income tax		**48,018**	**45,630**
Share of profit of equity accounted investee (net of income tax)		65	111
Profit before tax		**48,083**	**45,741**
Tax expense:			
Current Tax		12,235	13,894
Deferred tax	33	3,127	1,803
		15,362	**15,697**
Net profit for the year		**32,721**	**30,044**
Other comprehensive income			
(A) (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(85)	142
(ii) Income tax relating to items that will not be reclassified to profit or loss		(68)	(49)
(B) (i) Items that will be reclassified to profit or loss			
Gain on fair valuation of loans		26,482	34,674
(ii) Income tax relating to items that will be reclassified to profit or loss		(3,326)	(12,120)
Total other comprehensive income		**23,003**	**22,647**
Total comprehensive income		**55,724**	**52,691**
Earnings per equity share (face value Rs.10 each)			
- Basic (in Rs.)		6.97	6.55
- Diluted (in Rs.)		6.96	6.55

The notes referred to above form an integral part of these consolidated financial statements.

As per our report of even date
for Deloitte Haskins & Sells
Chartered Accountants
Firm's registration number: 008072S

G.K.Subramaniam
Partner
Membership No: 109839

Place : Mumbai
Date : 20th June, 2020

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993TN2008PLC069837

Dheeraj G Hinduja
Chairman
DIN No : 00133410

S Nagarajan
Executive Vice Chairman
DIN No : 00009236

Sachin Pillai
Managing Director & CEO
DIN No : 06400793

Kishore Kumar Lodha
Chief Financial Officer

B Shanmugasundaram
Company Secretary
Membership No: F5949

Place : Chennai
Date : 20th June, 2020

Consolidated cash flow statement for the year ended 31st March, 2020

INR in Lakhs

Particulars	Note No.	Year Ended 31st March 2020	Year Ended 31st March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before tax		**48,083**	**45,741**
Adjustments:			
Depreciation and amortization		1,161	721
Provision for employee benefits		150	(22)
Provision for expected credit loss and amounts written off		60,883	56,528
Impairment loss on other receivables		2,151	767
Share based payment		-	105
Amortisation of discount on commercial papers		7,788	8,157
Amortisation of ancillary costs relating to borrowings		2,168	1,295
Operating cash flow before working capital changes		**122,384**	**113,292**
Adjustments for (Increase) / Decrease in operating assets:			
Other receivables		(9,060)	(9,956)
Loans		(148,031)	(442,650)
Other financial assets		46,947	(19,311)
Other non- financial assets		(1,411)	(578)
Adjustments for Increase / (Decrease) in operating Liabilities:			
Trade payables		1,782	234
Other financial liabilities		(2,733)	7,630
Other non financial liabilities		(117)	3
Net cash (used in) operations		**9,761**	**(351,336)**
Taxes paid (net)		(12,377)	(18,050)
Net cash (used in) operating activities (A)		**(2,616)**	**(369,386)**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Investment in pass through securities (net)		23,559	(41,475)
Investment in redeemable non-convertible debentures (net)		33,126	14,782
Bank deposits (having original maturity of more than three months)		(2,770)	3,431
Purchase of fixed assets (tangible and intangible assets) including capital work-in-progress		(4,007)	(1,006)
Net cash (used in) investing activities (B)		**49,908**	**(24,268)**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of equity shares including securities premium (net)		44	20,044
Proceeds from borrowings		639,678	749,793
Repayments of borrowings		(515,234)	(375,830)
Proceeds from working capital loan / cash credit and commercial paper (net)		(112,865)	11,440
Net cash from financing activities (C)		**11,623**	**405,447**
Net increase in cash and cash equivalents (A+B+C)		58,915	11,793

INR in Lakhs

Particulars	Note No.	Year Ended 31st March 2020	Year Ended 31st March 2019
Cash and cash equivalents at the beginning of the year		**25,354**	**13,562**
Cash and cash equivalents at the end of the year		**84,269**	**25,355**
Components of cash and cash equivalents	**6**		
Cash and cheques on hand		5,983	10,046
Balances with banks		78,286	15,308
		84,269	**25,354**
Operational cash flows from interest and dividends			
Interest paid		162,243	136,314
Interest received		11,336	11,722

The notes referred to above form an integral part of these financial statements.

As per our report of even date
for Deloitte Haskins & Sells
Chartered Accountants
Firm's registration number: 008072S

G.K.Subramaniam
Partner
Membership No: 109839

Place : Mumbai
Date : 20th June, 2020

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993TN2008PLC069837

Dheeraj G Hinduja
Chairman
DIN No : 00133410

S Nagarajan
Executive Vice Chairman
DIN No : 00009236

Sachin Pillai
Managing Director & CEO
DIN No : 06400793

Kishore Kumar Lodha
Chief Financial Officer

B Shanmugasundaram
Company Secretary
Membership No: F5949

Place : Chennai
Date : 20th June, 2020

Statement of Changes in Equity for the year ended 31st March, 2020

INR in Lakhs

	Particulars	Number of shares	Amount
A	**EQUITY SHARE CAPITAL**		
	Balance as at 1st April 2018	**456,437,968**	**45,644**
	Change in equity share capital during the year		
	Add: Issued during the year	13,233,022	1,323
	Balance as at 31st March 2019	**469,670,990**	**46,967**
	Change in equity share capital during the year		
	Add: Issued during the year	81,500	8
	Balance as at 31st March 2020	**469,752,490**	**46,975**

B OTHER EQUITY	Reserves and Surplus					
	Statutory Reserves	Securities premium	Other reserves - Employee stock option outstanding account	Retained earnings	Other items of other comprehensive income	Total
Balance as at 1st April 2018	**18,253**	**77,491**	**188**	**62,278**	**30**	**158,240**
Share based expenses	-	-	105	-	-	105
Premium on issue of share capital	-	18,720	-	-	-	18,720
Profit for the year	-	-	-	30,045	-	30,045
Transfer to / from reserve	5,987	-	-	(5,987)	-	-
Other comprehensive income (net of tax)	-	-	-	-	22,647	22,647
Balance as at 31st March 2019	**24,240**	**96,211**	**293**	**86,336**	**22,677**	**229,757**
Premium on issue of share capital	-	36	-	-	-	36
Profit for the year	-	-	-	32,721	-	32,721
Transfer to / from reserve	6,544	-	-	(6,544)	-	-
Other comprehensive income (net of tax)	-	-	-	-	23,003	23,003
Balance as at 31st March 2020	**30,784**	**96,247**	**293**	**112,513**	**45,680**	**285,517**

The notes referred to above form an integral part of these consolidated financial statements.

As per our report of even date
for Deloitte Haskins & Sells
Chartered Accountants
Firm's registration number: 008072S

G.K.Subramaniam
Partner
Membership No: 109839

Place : Mumbai
Date : 20th June, 2020

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993TN2008PLC069837

Dheeraj G Hinduja
Chairman
DIN No : 00133410

S Nagarajan
Executive Vice Chairman
DIN No : 00009236

Sachin Pillai
Managing Director & CEO
DIN No : 06400793

Kishore Kumar Lodha
Chief Financial Officer

B Shanmugasundaram
Company Secretary
Membership No: F5949

Place : Chennai
Date : 20th June, 2020

Notes to consolidated financial statements for year ended 31st March, 2020

(All amounts are in Indian Rupees in lakh, except share data and as stated)

1 Reporting entity

Hinduja Leyland Finance Limited ('the Company'), incorporated on 12 November 2008 and headquartered in Chennai, India is a Non Banking Finance Company engaged in providing asset finance. The Company is a systemically important Non Deposit taking Non Banking Finance Company (ND-NBFC) as defined under Section 45 – IA of the Reserve Bank Of India Act, 1934. The Company received the certificate of registration dated 22nd March, 2010 from the Reserve Bank of India ("RBI") to carry on the business of Non Banking Financial Institution without accepting public deposits ("NBFC-ND"). Subsequently the Company was granted Asset Finance Company status pursuant to certificate of registration received from RBI dated 12th May, 2014 with registration number N-07.00782.

The subsidiary and associate of the Company are listed below:

Name of the company	Relationship	Percentage holding
Hinduja Housing Finance Limited*	Subsidiary company	100%
HLF Services Limited	Associate company	45.90%

* A housing finance company registered with National Housing Bank (NHB) under section 29A of the National Housing Bank Act, 1987 with effect from 30th September, 2015. The Company is primarily engaged in the business of providing loans for the purchase or construction of residential houses.

The Company, subsidiary and associate are collectively referred to as Group.

2 Basis of preparation

2.1 Statement of compliance

The financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) and the relevant provisions of the Companies Act, 2013 (the "Act") (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Details of the Group accounting policies are disclosed in Note 3.

2.2 Presentation of financial statements

The Group presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented separately.

Financial assets and financial liability are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

(i) The normal course of business

(ii) The event of default

2.3 Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs and at two decimal places, unless otherwise indicated.

2.4 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability that market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value in use in Ind AS 36.

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

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

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

• Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

Items	Measurement basis
Certain financial assets	Fair value through other comprehensive income
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

2.5 Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgments

In the process of applying the Group's accounting policies, management has made judgments, which have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) Business model assessment

Classification and measurement of financial assets depends on the results of business model and the solely payments of principal and interest ("SPPI") test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. For further details about determination of fair value.

iii) Effective Interest Rate ("EIR") method

The Group's EIR methodology, as explained in Note 3.1(A), recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognizes the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgment regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

iv) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's expected credit loss ("ECL") calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgments and estimates include :

a) The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ("LTECL") basis.

b) Development of ECL models, including the various formulas and the choice of inputs.

c) Determination of associations between macroeconomic scenarios and economic inputs, such as gross domestic products, lending interest rates and collateral values, and the effect on probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD").

d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

3 Principles and Particulars of Consolidation

The consolidated financial statements relate to Hinduja Leyland Finance (referred as “the Company” or “the Holding Company”), its subsidiary companies (Collectively referred to as “the group”) and the Group’s share of profit / (loss) in its associates.

The Financial statements of the Subsidiaries and Associates used in the consolidation are drawn up to the same reporting date as that of the holding company i.e. 31 March 2020.

Basis of Consolidation

a Subsidiaries

Subsidiaries are entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

b Investment in Associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The results, assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting.

Under the equity method, the investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Distributions received from associate is recognised as reduction in the carrying amount of the investments. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired. After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate.

When a group entity transacts with an associate of the Group, profit or losses resulting from the transactions with associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

4 Significant accounting policies

4.1 Recognition of Interest Income

A. EIR method

Under Ind AS 109, interest income is recorded using the effective interest rate method for all financial instruments measured at amortised cost and financial instrument measured at FVOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

B. Interest income

The Group calculates interest income by applying EIR to the gross carrying amount of financial assets other than credit impaired assets.

When a financial asset becomes credit impaired and is, therefore, regarded as 'stage 3', the Group calculates interest income on the net basis. If the financial asset cures and is no longer credit impaired, the Group reverts to calculating interest income on a gross basis.

4.2 Financial instrument - initial recognition

A. Date of recognition

Debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from this amount.

C. Measurement categories of financial assets and liabilities

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

i) Amortised cost

ii) FVOCI

iii) FVTPL

4.3 Financial assets and liabilities

A. Financial assets

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's key management personnel.

b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.

c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

d) The expected frequency, value and timing of sales are also important aspects of the Group's assessment.

SPPI test

As a second step of its classification process, the Group assesses the contractual terms of financial to identify whether they meet SPPI test.

Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows :

i) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since, the loans and advances are held to sale and collect contractual cash flows, they are measured at FVTOCI.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

iv) Other equity investments

All other equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income.

B. Financial liability

i) Initial recognition and measurement

All financial liability are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.

4.4 Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Group did not reclassify any of its financial assets or liabilities in the year ended 31st March, 2020 and 31st March, 2019.

4.5 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

B. Derecognition of financial assets other than due to substantial modification

i) Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss.

Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109. Also, the Group recognises servicing income as a percentage of interest spread over tenure of loan in cases where it retains the obligation to service the transferred financial asset.

ii) Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

4.6 Impairment of financial assets

A. Overview of ECL principles

In accordance with Ind AS 109, the Group uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

Based on the above, the Group categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1:

When loans are first recognised, the Group recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2 or stage 3.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the life time ECL. Stage 2 loans also includes facilities where the credit risk has improved and the loan has been reclassified from stage 3.

Stage 3:

Loans considered credit impaired are the loans which are past due for more than 90 days. The Group records an allowance for life time ECL.

Loan commitments:

When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down.

B. Calculation of ECLs

The mechanics of ECL calculations are outlined below and the key elements are, as follows:

PD:

Probability of Default ("PD") is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

EAD:

Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest.

LGD:

Loss Given Default ("LGD") is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The Group has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

The mechanics of the ECL method are summarised below:

Stage 1:

The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3:

For loans considered credit-impaired, the Group recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

C. Loans and advances measured at FVOCI

The ECLs for loans and advances measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

D. Forward looking information

In its ECL models, the Group relies on a broad range of forward looking macro parameters and estimated the impact on the default at a given point of time.

i) Gross fixed investment (% of GDP)

ii) Oil price

iii) Interest rates

4.7 Impairment of non-financial assets

The Group determines periodically whether there is any indication of impairment of the carrying amount of its non-financial assets. The recoverable amount (higher of net selling price and value in use) is determined for an individual asset, unless the asset does not generate cash inflow that are largely independent of those from other assets or group of assets. The recoverable amounts of such asset are estimated, if any indication exists and impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

4.8 Write-offs

Financial assets are written off when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss.

4.9 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date;

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and

Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole.

4.10 (I) Recognition of revenue

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind 115 :

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

A. Dividend income

Dividend income (including from FVOCI investments) is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

B. Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit and loss, unless the increase is in line with expected general inflation, in which case lease income is recognised based on contractual terms.

C. Other interest income

Other interest income is recognised on a time proportionate basis.

D. Fees and commission income

Fees and commission income such as stamp and document charges, guarantee commission, service income etc. are recognised on point in time basis.

E. Income from other services

Income from other services are recognised on a time proportionate basis.

4.11 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Group , at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss.

4.12 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciation on property, plant and equipment is provided using the straight line method over the estimated useful lives of the assets, and is generally recognised in the statement of profit and loss.

The Group follows estimated useful lives which are given under Part C of the Schedule II of the Companies Act, 2013. The estimated useful lives of items of property, plant and equipment for the current period is as follows:

Asset category	Estimated Useful life
Buildings	60 years
Furniture and fittings	10 years
Office equipment	5 years
Servers and computers	Computers 3 years, Servers 6 years
Vehicles	Motor Cars 8 years, Motor Cycles 10 years
Leasehold improvements	Primary lease period or three years, whichever is earlier

Assets individually costing less than or equal to Rs 5,000/- are fully depreciated in the year of acquisition. the Group has estimated a Nil residual value at the end of the useful life for all block of assets. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

4.13 Intangible assets

i. Intangible assets

Intangible assets including those acquired by the Group are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the written down value method, and is included in depreciation and amortisation in Statement of Profit and Loss.

Asset category	Estimated Useful life
Computer softwares	5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

4.14 Employee benefits

i. Post-employment benefits

Defined contribution plan

The Group's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Defined benefit plans

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group 's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. the Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

ii. Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

iii. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

iv. Stock based compensation

The grant date fair value of equity settled share based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

4.15 Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Group determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are neither recognised not disclosed in the financial statements.

4.16 Leases

Operating lease:

the Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Group assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–

a) the use of an identified asset,

b) the right to obtain substantially all the economic benefits from use of the identified asset, and

c) the right to direct the use of the identified asset.

The Group at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

For lease liabilities at inception, The Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Group recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, The Group recognizes any remaining amount of the re-measurement in the Statement of profit and loss.

For short-term and low value leases, The Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease liability has been presented in Note 18 “Other Financial Liabilities” and ROU asset has been presented in Note 11B “Property, Plant and Equipment” and lease payments have been classified as financing cash flows.

Finance lease:

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group’s policy on borrowing costs

4.17 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

4.18 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the effective interest method.

Interest expenses are calculated using the EIR and all other Borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

4.19 Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

4.20 Segment reporting- Identification of segments:

An operating segment is a component of the Group that engages in business activities from which it many earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

4.21 Earnings per share

The Group reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after (Before other Comprehensive Income) tax attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

4.22 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non–cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions.

5 STANDARD ISSUED BUT NOT YET EFFECTIVE

No new standards as notified by Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules are effective for the current year.

INR in Lakhs

Particulars	As at 31st March 2020	As at 31st March 2019
6 CASH AND CASH EQUIVALENTS		
Cash on hand	1,318	3,949
Balances with banks	78,286	15,308
Cheques, drafts on hand	4,665	6,097
Total	**84,269**	**25,354**
7 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS		
Bank deposits	14,610	11,840
Total	**14,610**	**11,840**

Notes :

a) The bank deposits earn interest at fixed rates.

b) The Company has given fixed deposits as credit enhancement for securitisation transactions entered by it, amounting to Rs 14,336 Lakhs (31st March, 2019 : Rs 11,594 Lakhs)

8 RECEIVABLES		
Trade receivables	-	-
EIS receivables		
Receivables considered good - secured	26,705	17,645
Less: Impairment loss allowance	(4,165)	(2,014)
Total	**22,540**	**15,631**

9 LOANS

INR in Lakhs

	Particulars	As at 31st Mar 2020			As at 31st Mar 2019		
		At amortised cost	At fair value through other comprehensive income	Total	At amortised cost	At fair value through other comprehensive income	Total
A.	**Based on nature**						
	Retail Loans	1,069,861	698,932	1,768,793	1,041,762	634,006	1,675,768
	Term Loans	221,799	-	221,799	154,653	-	154,653
	Inter-corporate deposits	-	-	-	39,500	-	39,500
		1,291,660	**698,932**	**1,990,592**	**1,235,915**	**634,006**	**1,869,922**
	Less : Impairment loss allowance	(61,743)	4,034	(57,709)	(55,308)	4,646	(50,662)
	Total	**1,229,917**	**702,966**	**1,932,883**	**1,180,608**	**638,652**	**1,819,260**
B.	**Based on Security**						
	(i) Secured by tangible assets	1,291,660	698,932	1,990,592	1,196,415	634,006	1,830,422
	(ii) Unsecured	-	-	-	39,500	-	39,500
	Total Gross Loans	**1,291,660**	**698,932**	**1,990,592**	**1,235,915**	**634,006**	**1,869,922**
	Less:Impairment loss allowance	(61,743)	4,034	(57,709)	(55,308)	4,646	(50,662)
	Total Net Loans	**1,229,917**	**702,966**	**1,932,883**	**1,180,607**	**638,652**	**1,819,260**
C.	**Based on region**						
	(I) Loans in India						
	(i) Public Sector	-	-	-	-	-	-
	(ii) Others	1,291,660	698,932	1,990,592	1,235,915	634,006	1,869,922
	Total Gross	**1,291,660**	**698,932**	**1,990,592**	**1,235,915**	**634,006**	**1,869,922**
	Less:Impairment loss allowance	(61,743)	4,034	(57,709)	(55,308)	4,646	(50,662)
	Total (I)-Net	**1,229,917**	**702,966**	**1,932,883**	**1,180,607**	**638,652**	**1,819,260**
	(II) Loans outside India						
	Loans outside India						
	Total Gross	-	-	-	-	-	-
	Less:Impairment loss allowance	-	-	-	-	-	-
	Total (II) - Net	-	-	-	-	-	-
	Total (I) and (II)	**1,229,917**	**702,966**	**1,932,883**	**1,180,607**	**638,652**	**1,819,260**

Notes: 1. The retail loans above includes loans amounting to Rs 8,519 (31st March, 2019: Rs 5,849) where the underlying securities have been repossessed by the Company. The Impairment loss allowance includes expected credit loss provision on the aforesaid loans amounting to Rs 3,013 (31st March, 2019: Rs 2,209)
2. Security details: a) Retail loans are secured exposures that are secured by assets hypothecated to the company. b) Term loans are secured exposures that are secured by assets/ underlying portfolio provided to the company by the borrower.
3. The Company has derecognised certain Financial Assets on account of assignment without recourse. However, the company has retained 10% of the Financial Assets and below are the disclosures of assets and liabilities associated with the continuing involvement in the Financial Assets.

INR in Lakhs

Particulars	As at 31st March 2020	As at 31st March 2019
Carrying amount of the assets that represents the entity's continuing involvement in the derecognised financial assets	59,797	24,491
Carrying amount of the associated liabilities	-	
Maximum exposure to loss from company's continuing involvement in the dercognised financial assets	59,797	24,491
Fair Value (FV) of the assets that represents the entity's continuing involvement in the derecognised financial assets	64,287	25,651
Fair value of associated liabilities	-	-
Net position at FV	**64,287**	**25,651**
Gain or loss recognised at the date of transfer of the assets	**18,751**	**16,816**

10 INVESTMENTS

Investments in equity instruments of associate		
HLF Services Limited	266	246
Investment in debentures (quoted)		
Non-convertible redeemable debentures	7,750	40,133
Investment in debentures (unquoted)		
Non-convertible redeemable debentures	2,257	3,000
Investment in pass-through certificates (unquoted)		
Investment in pass-through certificates	45,072	66,646
Investment in funds (unquoted)		
Investment in funds	8,000	10,000
Gross Investments	**63,345**	**120,025**
(i) Investments outside India		
(ii) Investments in India	63,345	120,025
Gross Investments	**63,345**	**120,025**
Less: Provision for diminution in value of investments	(5)	
Total	**63,340**	**120,025**
Details of equity accounted associate : 45.90% stake in HLF Services Limited		
(i) Cost of investment (including Goodwill of INR NIL) on consolidation	2	2
(ii) Share of profits	264	244
Total	**266**	**246**
Aggregate market value of quoted investments	7,750	40,133

11 OTHER FINANCIAL ASSETS

INR in Lakhs

Particulars	As at 31st March 2020	As at 31st March 2019
Receivables from related parties		
Dues from HLF Services Limited (Associate Company)	5,186	11,359
Dues from Gulf Ashley Motors Limited (Fellow Subsidiary)	-	713
Dealer trade advances (Unsecured, considered good)	29,660	85,799
Employee advances	105	97
Lease advance	507	744
Security deposits	50	64
Other receivables	1,308	1,627
Asset acquired under satisfaction of debt (net of provisions)	53,448	36,808
Total	**90,264**	**137,211**

12 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

INR in Lakhs

Particulars	Freehold land*	Buildings	Plant and machinery	Servers and computers	Furniture and fittings	Motor Vehicles	Office equipment	Leasehold improvements	Total
Cost or deemed cost (gross carrying amount)									
Gross block									
As at 1st April 2018	2,066	1,639	57	614	303	540	73	137	5,429
Additions	-	-	-	635	170	66	26	113	1,010
Deletions	-	-	-	10	-	38	-	-	48
As at 31st March 2019	**2,066**	**1,639**	**57**	**1,239**	**473**	**568**	**99**	**250**	**6,391**
Additions	-	-	-	713	82	48	22	95	960
Deletions	-	175	-	14	-	8	-	-	197
As at 31st March 2020	**2,066**	**1,464**	**57**	**1,938**	**555**	**608**	**121**	**345**	**7,154**
Accumulated depreciation									
As at 1st April 2018	**-**	**83**	**14**	**226**	**64**	**161**	**21**	**44**	**613**
Depreciation for the year	-	88	21	276	77	150	23	77	712
Deletion	-	-	-	3	-	38	-	-	41
As at 31st March 2019	**-**	**171**	**35**	**499**	**141**	**273**	**44**	**121**	**1,284**
Depreciation for the year	-	33	-	443	72	88	30	82	748
Deletion	-	19	-	7	-	8	-	-	34
As at 31st March 2020	**-**	**185**	**35**	**935**	**213**	**353**	**74**	**203**	**1,998**
Carrying amount (net)									
As at 31st March 2019	2,066	1,468	22	740	332	295	55	129	5,107
As at 31st March 2020	**2,066**	**1,279**	**22**	**1,003**	**342**	**255**	**47**	**142**	**5,156**

* Land having a value of Rs 350 lakhs situated in Koodapakkam has been issued as security for issue of non-convertible debentures.

12A INTANGIBLE ASSETS

INR in Lakhs

Particulars	Computer Software	Total
As at 1st April 2018	**59**	**59**
Additions	3	3
Deletions	-	-
As at 31st March 2019	**62**	**62**
Additions	46	46
Deletions	-	-
As at 31st March 2020	**108**	**108**
Accumulated depreciation		
As at 1st April 2018	21	21
Depreciation for the year	9	9
Deletions	-	-
As at 31st March 2019	**30**	**30**
Depreciation for the year	15	15
Deletions	-	-
As at 31st March 2020	**45**	**45**
Carrying amount (net)		
As at 31st March 2019	32	32
As at 31st March 2020	**63**	**63**

12B RIGHT OF USE ASSET

INR In Lakhs

Particulars	Right of use asset	Total
Gross block		
As at 1st April 2019	-	-
Additions	3,048	3,048
Deletion	-	-
As at 31st March 2020	**3,048**	**3,048**
Accumulated amortisation	**-**	**-**
As at 1st April 2019	-	-
Amortisation for the year	398	398
Deletion	-	-
As at 31st March 2020	**398**	**398**
Carrying amount (net)		
As at 31st March 2019	-	-
As at 31st March 2020	**2,650**	**2,650**

INR in Lakhs

	Particulars	As at 31st March 2020	As at 31st March 2019
13	**OTHER NON-FINANCIAL ASSETS**		
	Prepaid expenses	1,695	1,560
	Balance receivable from government authorities	1,276	-
	Total	**2,971**	**1,560**
14	**PAYABLES**		
	Trade payables (refer note)		
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,139	357
	Total	**2,139**	**357**

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2nd October, 2006, certain disclosures are required to be made relating to dues to micro, small and medium enterprises (MSME). On the basis of the information and records available with the Management, none of the Company's suppliers are covered under the MSMED and accordingly, disclosure of information relating to principal, interest accruals and payments are not applicable.

((i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any Supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) 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	-	-

15	**DEBT SECURITIES**		
	Measured at amortised cost:		
	Secured		
	8,010 (Previous year: 19,360) Redeemable non-convertible debentures (refer note 15.1 & 15.2)	88,300	205,615
	Total (A)	**88,300**	**2,05,615**
	Debt securities in India	88,300	2,05,615
	Debt securities outside India	-	-
	Total (B)	**88,300**	**2,05,615**
	Total	**88,300**	**2,05,615**

15.1 Terms of repayment of debt securities:

Redeemable non-convertible debentures are secured by first ranking mortgage of an immovable property in favour of trustees in addition to exclusive charge on hypothecation of loan receivables with a security cover of 110% as per the terms of issue.

15.2 Out of the debentures issued and outstanding:

a) 3,510 (31st March, 2019: Rs 14,860) debentures were issued with a face value of Rs 1,000,000/-. As at 31st March, 2020 these debentures carry interest rates ranging from 8.55% p.a. to 10.55% p.a. and the redemption period is ranging from 1 year to 5 years from the date of allotment.

b) 4,500 (31st March, 2019: Rs 4,500) debentures were issued with a face value of Rs 1,000,000/-. These debentures carry interest rates ranging from "Base rate of State Bank of India" to "Base rate of State Bank of India + 0.35%" and the redemption period is 5 years from the date of allotment. As at 31st March, 2020, the rate of interest was 8.50% p.a.

The aforesaid debentures are listed at Bombay Stock Exchange.

INR in Lakhs

	Particulars	As at 31st March 2020	As at 31st March 2019
16	**BORROWINGS (OTHER THAN DEBT SECURITIES)**		
	Secured borrowings		
	Term Loan from banks	1,567,644	1,311,870
	Cash credit and working capital demand loans from banks	53,371	45,508
	Total (A)	**1,621,015**	**1,357,378**
	Unsecured borrowings		
	Commercial papers	-	112,941
	Total (B)	**-**	**112,941**
	Borrowings in India	1,621,015	1,470,319
	Borrowings outside India	-	-
	Total	**1,621,015**	**1,470,319**
	Total	**1,621,015**	**1,470,319**

Secured borrowing

16.1 Cash credit and working capital demand loans from banks are secured by pari passu charge on receivables other than those that are specifically charged to the lenders. These facilities carry interest rates ranging from "MCLR of the respective bank per annum" to "MCLR of the respective bank + 1.65% per annum". As at 31st March, 2020, the rate of interest across the loans was in the range of 6.95% p.a to 10.25% p.a.

Refer Note 16.2 for details regarding terms of borrowings from banks for parent company. 'Refer Note 16.3 for details regarding terms of borrowings from banks for subsidiary company.

16.2 Details of terms of redemption/ repayment and security provided in respect of term loans of parent company:

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 1	8,331	Repayable in 5 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 2	13,750	Repayable in 11 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 3	15,000	Repayable in 12 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 4	10,500	Repayable in 2 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 5	27,500	Repayable in 6 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 6	24,400	Repayable in 9 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 7	10,000	Repayable in 16 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 8	20,000	Repayable in 12 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 9	30,000	Repayable in 12 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 10	5,333	Repayable in 24 Monthly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 11	20,000	Repayable in 8 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 12	34,375	Repayable in 11 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 13	3,104	Repayable in 5 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 14	34,375	Repayable in 11 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 15	47,500	Repayable in 19 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 16	50,000	Repayable in 19 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 17	19,500	Repayable in 13 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 18	24,375	Repayable in 13 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 19	20,001	Repayable in 18 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 20	8,750	Repayable in 14 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 21	7,564	Repayable in 64 Monthly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 22	7,500	Repayable in 2 Half yearly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 23	7,500	Repayable in 3 Half yearly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 24	9,091	Repayable in 10 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 25	5,000	Repayable in 11 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 26	50,000	Repayable in 8 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 27	11,250	Repayable in 3 Half yearly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 28	30,000	Repayable in 16 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 29	4,999	Repayable in 4 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 30	6,250	Repayable in 5 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 31	26,250	Repayable in 14 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 32	30,000	Repayable in 16 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 33	20,625	Repayable in 3 Annual instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 34	18,000	Repayable in 12 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 35	5,000	Repayable in 16 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 36	3,333	Repayable in 1 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 37	30,000	Repayable in 6 Half yearly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 38	35,000	Repayable in 7 Half yearly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 39	50,000	Repayable in 20 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 40	983	Repayable in 1 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 41	79,922	Repayable in 16 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 42	49,997	Repayable in 12 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 43	13,125	Repayable in 7 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 44	12,500	Repayable in 10 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 45	20,000	Repayable in 8 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 46	27,500	Repayable in 11 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 47	50,000	Repayable in 12 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 48	6,250	Repayable in 2 Half yearly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 49	100,000	Repayable in 4 Half yearly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 50	37,500	Repayable in 6 Half yearly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 51	30,000	Repayable in 12 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 52	4,000	Repayable in 1 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 53	9,167	Repayable in 33 Monthly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 54	21,250	Repayable in 17 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 55	20,000	Repayable in 16 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 56	21,750	Repayable in 8 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 57	42,500	Repayable in 17 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 58	4,968	Repayable in 5 Annual instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 59	10,000	Repayable in 10 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 60	833	Repayable in 1 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 61	1,250	Repayable in 6 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 62	2,500	Repayable in 6 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 63	1,667	Repayable in 2 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 64	5,000	Repayable in 8 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 65	1,250	Repayable in 6 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 66	6,250	Repayable in 10 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 67	10,500	Repayable in 27 Monthly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Term Loan - 68	5,000	Repayable in 15 Quarterly instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 110% to 112% of loan amount.
Borrowings - PTC	51,133		
EIR adjustments	1,004		
Total Term Loans from Banks	**1,431,955**		

16.3 Details of terms of redemption/ repayment and security provided in respect of term loans of subsidiary company:

Particulars	Amount	Terms of redemption/ repayment	Security
Term loan - 1	16,858	Repayable in 96 Equal Monthly installments Remaining no. of installments: 81	Exclusive charge on Specific receivables
Term loan - 2	4,737	Repayable in 57 Equal Monthly installments Remaining no. of installments: 54	Exclusive hypothecation of standard receivables
Term loan - 3	7,000	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 31	Exclusive charge on the company's receivables
Term loan - 4	3,500	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 31	Exclusive charge on the priority sector receivables (housing) (created out of loan proceeds)
Term loan - 5	10,000	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 28	Exclusive charge on the receivables
Term loan - 6	10,000	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 28	Exclusive floating charge on specific book debts and future receivables
Term loan - 7	9,643	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 27	Exclusive charge on receivables of the company
Term loan - 8	4,805	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 27	Exclusive Floating charge on specific book debts and future receivables
Term loan - 9	7,841	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 22	Exclusive charge on receivables of the company
Term loan - 10	1,016	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 21	Exclusive charge on specific receivables / book debts other than those specifically charged to other lenders
Term loan - 11	8,330	Repayable in 24 Equal Quarterly installments Remaining no. of installments: 20	Exclusive charge on specific receivables
Term loan - 12	5,000	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 20	Exclusive charge on the unencumbered identified set of receivables from standard assets portfolio of receivables.

Particulars	Amount	Terms of redemption/ repayment	Security
Term loan - 13	1,609	Repayble in 31 Equal Quarterly installments Remaining no. of installments: 20	Exclusive charge on specific receivables / book debts other than those specifically charged to other lenders
Term loan - 14	5,625	Repayable in 24 Equal Quarterly installments Remaining no. of installments: 18	First charge by way of hypothecation of the specific future receivables from the performing loan portfolio, which are identified by the company from time to time
Term loan - 15	2,125	Repayable in 24 Equal Quarterly installments Remaining no. of installments: 17	Exclusive charge on specific loan receivables
Term loan - 16	18,000	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 15	Exclusive Charge on Book debts
Term loan - 17	2,100	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 14	Exclusive charge on Specific receivables
Term loan - 18	8,125	Repayable in 16 Equal Quarterly installments Remaining no. of installments: 13	Exclusive charge on the unencumbered identified set of receivables from standard assets portfolio of receivables.
Term loan - 19	3,750	Repayable in 12 Equal Quarterly installments Remaining no. of installments: 9	Hypothecation of exclusive charge on specific receivables
Term loan - 20	2,917	Repayable in 12 Equal Quarterly installments Remaining no. of installments: 7	Hypothecation of exclusive charge on specific receivables
Term loan - 21	2,500	Repayable in 8 Equal Half-yearly installments Remaining no. of installments: 4	Exclusive charge on specific loan receivables
Accrued interest	209		
Total Term Loans from Banks	**135,689**		

Unsecured Borrowing

16.4 As at 31st March, 2020, the exposure to commercial paper stands to be NIL. As at 31st March, 2019, the interest was 7.67% p.a. to 8.12% p.a. and the redemption period was 90 days.

INR in Lakhs

	Particulars	As at 31st March 2020	As at 31st March 2019
17	**SUBORDINATED LIABILITIES**		
	Measured at amortised cost:		
	Subordinated redeemable non-convertible debentures (refer 17.1)	124,088	135,908
	Other sub-ordinated unsecured loans (refer note 17.2)	7,500	7,500
	Total (A)	**131,588**	**143,408**
	Subordinated Liabilities in India	131,588	143,408
	Subordinated Liabilities outside India	-	-
	Total (B)	**131,588**	**143,408**

17.1 Details relating to subordinated redeemable non-convertible debentures

11,750 (31st March, 2019: Rs 12,850) debentures were issued with a face value of Rs 1,000,000/-. These debentures carry interest rates ranging from 9.20% p.a. to 12.40% p.a. and the redemption period is 5 to 7 years. As at 31st March, 2020, the rate of interest was ranging from 9.20% p.a. to 12.40% p.a.

The aforesaid debentures are listed at Bombay Stock Exchange.

17.2 Details relating to Other sub-ordinated unsecured loans

As at 31st March, 2020, the unsecured subordinated loans carried interest rate of 11.21% p.a. and the redemption period is 5 years.

INR in Lakhs

	Particulars	As at 31st March 2020	As at 31st March 2019
18	**OTHER FINANCIAL LIABILITIES**		
	Payable to assignees towards collections in assigned assets	23,205	22,572
	Interest participation payable	11,772	8,765
	Dealer payables	3,509	8,199
	Payable to employees	1,303	850
	Lease liability	2,608	-
	Other payable	228	4,972
	Total	**42,625**	**45,358**
19	**PROVISIONS**		
	Provision for employee benefits		
	- gratuity	234	132
	- compensated absences	168	120
	Total	**402**	**252**
20	**OTHER NON-FINANCIAL LIABILITIES**		
	Statutory liabilities	546	663
	Total	**546**	**663**
21	**EQUITY SHARE CAPITAL**		
	Authorised		
	622,907,700 (31st March, 2019: 622,907,700) equity shares of Rs 10/- each	62,291	62,291
		62,291	**62,291**
	Issued, subscribed and fully paid up		
	469,752,490 (31st March, 2019 : 469,670,990) equity shares of Rs 10/- each	46,975	46,967
		46,975	**46,967**

Notes:

a) Reconciliation of number of Equity shares subscribed

INR in Lakhs

	As at 31st Mar 2020		As at 31st Mar 2019	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
At the commencement of the year	469,670,990	46,967	456,437,968	45,644
Add: Shares issued during the year	81,500	8	13,233,022	1,323
At the end of the year	**469,752,490**	**46,975**	**469,670,990**	**46,967**

b) Terms/ rights attached to equity shares

The Company has a single class of equity shares having face value of INR 10/- each. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. On winding up, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c) Shares held by holding / ultimate holding company and / or their subsidiaries / associates

INR in Lakhs

	As at 31st Mar 2020		As at 31st Mar 2019	
	No. of shares	% held	No. of shares	% held
Equity shares				
Ashok Leyland Limited; Holding company	315,642,021	67.19%	290,431,937	61.84%

d) Details of shareholders holding more than 5% shares in the Company

INR in Lakhs

	As at 31st Mar 2020		As at 31st Mar 2019	
	No. of shares	% held	No. of shares	% held
Equity shares				
Ashok Leyland Limited; Holding company	315,642,021	67.19%	290,431,937	61.84%
IndusInd International Holdings Limited	78,979,303	16.81%	78,979,303	16.82%
Hinduja Power Limited	30,786,550	6.55%	30,786,550	6.55%

e) Shares reserved for issue under employee stock option plan

INR in Lakhs

	As at 31st Mar 2020		As at 31st Mar 2019	
	Number	Amount	Number	Amount
Under Employee stock option scheme, 2013, at an exercise price as determined by the Nomination and Remuneration Committee	19,906,191	1,991	19,906,191	1,991

f) Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

During the five-year period ended 31st March, 2020, 2,864,500 (31st March, 2019: 2,783,000) equity shares issued under employee stock option plan for which only exercise price has been received in cash.

INR in Lakhs

	Particulars	As at 31st March 2020	As at 31st March 2019
22	**OTHER EQUITY**		
	a) Securities premium account		
	Balance at the beginning of the year	96,211	77,491
	Add: Premium on issue of shares	36	18,720
	Add: Transferred from Employee Stock Option Outstanding account	-	
	Balance at the end of the year	**96,247**	**96,211**
	b) Employee stock option outstanding account		
	Balance at the beginning of the year	293	188
	Add: Share based payment expense for the year	-	105
	Less: Transferred to securities premium	-	-
	Balance at the end of the year	**293**	**293**
	c) Statutory reserves		
	(As per Section 45-IC of Reserve Bank of India Act, 1934)		
	Balance at the beginning of the year	24,240	18,253
	Add: Amount transferred from surplus in statement of profit and loss	6,544	5,987
	Balance at the end of the year	**30,784**	**24,240**
	d) Retained earnings (Surplus in Statement of Profit and Loss)		
	Balance at the beginning of the year	86,336	62,278
	Add: Profit for the year	32,721	30,045
	Less: Transferred to Statutory Reserve	(6,544)	(5,987)
	Balance at the end of the year	**112,513**	**86,336**
	e) Other comprehensive income		
	Balance at the beginning of the year	22,677	30
	Add: Comprehensive Income for the year	23,003	22,647
	Balance at the end of the year	**45,680**	**22,677**
	Total (a+b+c+d+e)	**285,517**	**229,758**

Nature and purpose of reserve

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of section 52 of the Act.

Employee stock option outstanding

The Company has established various equity settled share based payment plans for certain categories of employees of the Company.

Statutory Reserve

(a) Reserve u/s. 45-IA of the Reserve Bank of India Act, 1934 ("the RBI Act, 1934")

Reserve u/s. 45-IA of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI.

(b) Statutory Reserve u/s. 29C of National Housing Bank Act, 1987 ("the NHB Act, 1987")

Reserve u/s. 29C of NHB Act, 1987 is created in accordance with section 29A of the NHB Act, 1987. As per Section 29C of the NHB Act, 1987, No appropriation of any sum from the reserve fund including any sum in the special reserve which has been taken into account for the purposes of reserve fund in terms of subsection (1), shall be made by such housing finance institution except for the purpose as may be specified by the National Housing Bank from time to time.

Surplus in the statement of profit and loss

Surplus in the statement of profit and loss is the accumulated available profit of the Company carried forward from earlier year These reserve are free reserves which can be utilised for any purpose as may be required.

Other comprehensive income

a) The Company has elected to recognise changes in the fair value of loans and advances in other comprehensive income. These changes are accumulated within the FVOCI - loans and advances reserve within equity.

b) Remeasurement of the net defined benefit liabilities comprise actuarial gain or loss, return on plan assets excluding interest and the effect of asset ceiling, if any.

23 INTEREST INCOME

INR in Lakhs

Particulars	Year Ended 31st Mar 2020			Year Ended 31st Mar 2019		
	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	Total	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	Total
Interest Income						
- Interest income on loans to customers	82,502	192,960	275,462	37,626	189,468	227,094
- Interest on investment in pass through certificates	-	7,380	7,380	-	5,294	5,294
- Interest income on investment in debentures	-	3,956	3,956	-	5,891	5,891
- Interest income on lease assets	-	12	12	-	-	-
Total	**82,502**	**204,308**	**286,810**	**37,626**	**200,653**	**238,279**

INR in Lakhs

	Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
24	**FEES AND COMMISSION INCOME**		
	Other charges	5,465	4,833
	Total	**5,465**	**4,833**
25	**NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS**		
	Income on assignment of loans	18,751	16,816
	Total	**18,751**	**16,816**
26	**INCOME FROM OTHER SERVICES**		
	Income from other services (including income earned from related parties amounting to Rs Nil (31st March, 2019 - Rs 9,305 lakhs)	2,541	10,306
	Interest on fixed deposits	74	926
	Total	**2,615**	**11,232**
27	**FINANCE COSTS**		
	Finance costs on financial liabilities measured at amortised cost		
	Interest on borrowings		
	- term loans from banks	121,014	85,964
	- cash credits and working capital demand loans	6,689	5,170
	- securitised portfolio	2,622	3,653
	Interest on debt securities	11,797	23,211
	Interest on subordinated liabilities	14,382	12,747
	Amortisation of discount on commercial papers	7,788	8,157
	Amortisation of ancillary costs relating to borrowings	2,168	1,295
	Interest on lease assets	85	-
	Total	**166,545**	**140,197**
28	**FEES AND COMMISSION EXPENSE**		
	Service provider and sourcing expenses	2,930	3,358
	Fees and commission expense	5,792	2,871
	Total	**8,722**	**6,229**

29 IMPAIRMENT ON FINANCIAL INSTRUMENTS

INR in Lakhs

Particulars	Year Ended 31st Mar 2020		Year Ended 31st Mar 2019	
	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost
Provision for expected credit loss and amounts written off	4,034	56,849	4,646	51,882
Impairment loss on EIS receivable	-	2,151	-	767
Total	**4,034**	**59,000**	**4,646**	**52,649**
Total impairment of financial assets		**63,034**		**57,295**

30 EMPLOYEE BENEFITS EXPENSES

INR in Lakhs

Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
Salaries, wages and bonus	14,826	11,254
Contribution to provident, gratuity and other funds	879	607
Staff welfare expenses	273	241
Employee stock option expenses	-	105
Total	**15,978**	**12,207**

31 DEPRECIATION AND AMORTIZATION

Depreciation of property, plant and equipment	748	712
Amortisation of intangible assets	15	9
Depreciation on right of use assets	398	-
Total	**1,161**	**721**

32 OTHER EXPENSES

Legal and professional charges	2,437	1,779
Rent (refer note 41)	1,423	1,393
Communication expenses	791	686
Insurance	365	349
Electricity charges	285	260
Rates and taxes	229	202
Office maintenance	557	693
Repairs and maintenance	208	142
Bank charges	273	346
Printing and stationery	475	473
Travelling and conveyance	1,385	1,224
Auditor remuneration (refer note 32.1)	120	114
Meeting and conference expenses	72	184
Commission to directors	168	155
Sitting fees to directors	80	103
Expenditure on corporate social responsibility (refer note 42)	705	210
Miscellaneous expenses	610	568
Total	**10,183**	**8,881**

INR in Lakhs

	Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
32.1	**PAYMENTS TO AUDITOR (EXCLUDING GOODS AND SERVICES TAX)**		
	(a) As auditor:		
	Statutory audit	55	55
	Tax audit	3	3
	Limited review	18	15
	Consolidation	10	8
	(b) In other capacity:		
	Certification	8	5
	Other services	21	20
	(c) Reimbursement of expenses	5	7
		120	**113**
33	**INCOME TAX**		
	The components of income tax expense for the years ended 31st March, 2020 and 2019 are:		
	Current tax	12,235	13,894
	Deferred tax	3,127	1,803
	Total tax charge	**15,362**	**15,697**
33.1	**INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME**		
	Current tax	-	-
	Deferred tax		
	Arising on income and expenses recognised in other comprehensive income:		
	Remeasurement of defined benefit obligation	(68)	(49)
	Gain/(Loss) on fair valuation of loans	(3,326)	(12,120)
	Total income tax recognised in other comprehensive income	**(3,394)**	**(12,169)**

33.2 RECONCILIATION OF THE TOTAL TAX CHARGE

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31st March, 2020 and 2019 is, as follows:-

	Year Ended 31st March 2020	Year Ended 31st March 2019
Accounting profit before tax	48,018	45,630
Applicable tax rate	25.17%	34.94%
Computed tax expense	**12,085**	**15,945**
Tax effect of :		
Permanent differences	3,277	(248)
Tax expenses recognised in the statement of profit and loss	**15,362**	**15,697**
Effective tax rate	31.99%	34.40%

The tax rate used for the reconciliations above is the corporate tax rate of 25.17% for Hinduja Leyland Finance Limited and 25.17% for Hinduja Housing Finance Company Limited for the year 31st March, 2020 payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

33.3 DEFERRED TAX

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense

INR in Lakhs

Component of Deferred tax asset / (liability)	As at 31st Mar 2019	Statement of profit and loss	Other comprehensive income	As at 31st Mar 2020
Deferred tax asset / (liability) in relation to:				
Fixed assets	84	(44)	-	40
Impact of fair value of assets	(12,120)	-	(3,326)	(15,446)
Impairment on financial assets	16,032	(2,430)	-	13,602
Provision for employee benefits	162	(12)	(68)	82
Impact on other receivables	(5,462)	(211)	-	(5,673)
Impact on leases	-	36	-	36
Others	519	(519)	-	-
Total	**(785)**	**(3,180)**	**(3,394)**	**(7,359)**

Component of Deferred tax asset / (liability)	As at 1st Apr 2018	Statement of profit and loss	Other comprehensive income	As at 31st Mar 2019
Deferred tax asset / (liability) in relation to:				
Fixed assets	40	44	-	84
Impact of fair value of assets	-	-	(12,120)	(12,120)
Impairment on financial assets	14,649	1,383	-	16,032
Provision for employee benefits	113	98	(49)	162
Impact on ESOP fair valuation	27	(27)	-	-
Impact on other receivables	(2,229)	(3,233)	-	(5,462)
Others	586	(67)	-	519
Total	**13,186**	**(1,802)**	**(12,169)**	**(785)**

INR in Lakhs

Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
34 EARNINGS PER SHARE ('EPS')		
Earnings		
Net profit attributable to equity shareholders for calculation of basic EPS	32,721	30,044
Net profit attributable to equity shareholders for calculation of diluted EPS	32,721	30,044
Shares		
Equity shares at the beginning of the year	469,670,990	456,437,968
Shares issued during the year	81,500	13,233,022
Total number of equity shares outstanding at the end of the year	**469,752,490**	**469,670,990**

INR in Lakhs

Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	469,725,326	458,339,358
Effect of dilutive potential equity shares		
Employee stock options	205,296	371,286
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	469,930,622	458,710,644
Face value per share	10.00	10.00
Earnings per share		
Basic	6.97	6.55
Diluted	6.96	6.55

35 EMPLOYEE STOCK OPTION

The Company has granted certain stock options to its employees under Employee stock option scheme, 2013 ("ESOP Scheme"). The employee stock options granted entitle the employees to purchase equity shares at an exercise price either at INR 10/- per option or fair value at the date of the grant or as determined by the Nomination and Remuneration Committee at the date of grant.

Options to employees are usually granted with a four-year rateable vesting. The options would need to be exercised within a 3 year period from the date of vesting.

The vesting pattern is indicated below

Particulars	Vesting pattern	Vesting pattern	Vesting pattern	Vesting pattern	Vesting pattern
Grant date	26-Mar-14	10-Nov-16	23-May-17	29-Jan-18	22-May-19
At the end of one year of service from grant date	20%	20%	20%	20%	20%
At the end of two years	20%	20%	20%	20%	20%
At the end of three years	30%	30%	30%	30%	30%
At the end of four years	30%	30%	30%	30%	30%

Share based payment expense

The expense recognised during the current year under the intrinsic value method:

INR in Lakhs

Particulars	For the year ended 31st Mar 2020	For the year ended 31st Mar 2019
Share based payment expense:		
Total expense recognised in 'employee benefits'	-	105

Reconciliation of outstanding options

The number and the weighted average exercise prices of share options under employee stock option plan are as follows:

Particulars	Year ended 31st Mar 2020		Year ended 31st Mar 2019	
	No of options	Weighted average exercise price	No of options	Weighted average exercise price
Outstanding at beginning of the year	**1,314,000**	**69.82**	**1,518,500**	**65.87**
Granted during the year	160,000	110.00	-	-
Forfeited during the year	129,500	88.75	10,000	54.40
Exercised during the year	81,500	56.95	181,500	41.33
Expired during the year	-	-	13,000	27.95
Outstanding at the end of the year	**1,263,000**	**73.96**	**1,314,000**	**69.82**

The options outstanding at the year-end have an exercise price and a weighted average contractual life as given below:

Particulars	As at 31st Mar 2020			As at 31st Mar 2019		
	No of outstanding options	Range of exercise price	Weighted average remaining life	No of outstanding options	Range of exercise price	Weighted average remaining life
ESOP Scheme	12,63,000	INR/- 56.95 to 110	1 – 4 years	13,14,000	INR/- 27.95 to 110	1 – 4 years

Measurement of fair values

The fair value of employee stock options is measured using the Black Scholes Model.

The inputs used in the computation of fair value of the grant date fair value are as follows:

Grant date	26-Mar 2014	10-Nov 2016	23-May 2017	29-Jan 2018	22-May 2019
No of shares	2,995,000	1,190,000	50,000	410,000	160,000
Value of the share at the grant date	28	79	95	110	110
Exercise price	INR/- 10 to 37.95	INR/- 54.40	INR/- 75	INR/- 110	INR/- 110
Expected volatility	0.00%	0.00%	0.00%	0.00%	0.00%
Expected dividends	0.00%	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate (based on government bonds)	8.00%	6.88%	7.08%	7.08%	7.08%
Expected life	4 years	4 years	4 years	4 years	4 years

Note: The Exercise Period shall commence from the date of Vesting and the Vested Options can be Exercised within a period of 3 years from date of Vesting of Option or till it is cancelled as per the provisions of the Scheme.

36 EMPLOYEE BENEFIT – POST EMPLOYMENT BENEFIT PLANS

a) Defined contribution plans

The Company operates defined contribution plan (Provident fund) for all qualifying employees of the Company. The employees of the Company are members of a retirement contribution plan operated by the government. The Company is required to contribute a specified percentage of payroll cost to the retirement contribution scheme to fund the benefits. The only obligation of the Company with respect to the plan is to make the specified contributions.

The Company's contribution to Provident Fund aggregating INR 708.91 lakhs (31 March 2019 : INR 488.03 lakhs) (refer note 30) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

Defined benefit obligation

The liability under the Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

Interest rate risk: The risk of government security yields falling due to which the corresponding discount rate used for valuing liabilities falls. Such a fall in discount rate will result in a larger value placed on the future benefit cash flows whilst computing the liability and thereby requiring higher accounting provisioning.

Longevity risk: Longevity risks arises when the quantum of benefits payable under the plan is based on how long the employee lives post cessation of service with the company. The gratuity plan provides the benefit in a lump sum form and since the benefit is not payable as an annuity for the rest of the lives of the employees, there is no longevity risks.

Salary risk: The gratuity benefits under the plan are related to the employee's last drawn salary. Consequently, any unusual rise in future salary of the employee raises the quantum of benefit payable by the company, which results in a higher liability for the company and is therefore a plan risk for the company.

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Significant assumptions		
Discount rate	5.60%	7.00%
Expected rate of salary escalation	10.00%	10.00%
Other assumption		
Mortality rate	Indian Assured Lives Mortality 2006-08 (modified) Ult	Indian Assured Lives Mortality 2006-08 (modified) Ult

b) Gratuity benefit plan

Financial assets not measured at fair value

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age/ resignation date.

The defined benefit plans expose the Company to risks such as Actuarial risk, Investment risk, Liquidity risk, Market risk, Legislative risk. These are discussed as follows:

Adverse salary growth experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Investment risk: For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity risk: Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.

Market risk: Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative risk: Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Amount recognised in balance sheet in respect of these defined benefit obligation :

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Present value of obligations	551	352
Fair value of plan assets	330	220
Asset/ (Liability) recognised in the Balance Sheet	**(221)**	**(132)**

Amount recognised in statement of profit and loss in respect of these defined benefit obligation :

INR in Lakhs

Particulars	Year ended 31st Mar 2020	Year ended 31st Mar 2019
Current service cost	125	82
Past service cost	-	-
Net interest cost	4	1
Components of defined benefits costs recognised in profit or loss.	**129**	**83**
Remeasurements on the net defined benefit liability :		
- Actuarial (gain)/loss from change in demographic assumptions	24	4
- Actuarial (gain)/loss from change in financial assumptions	30	4
- Actuarial (gain)/loss from change in experience adjustments	33	40
- Return on plan assets (greater)/less than discount rate	(2)	(2)
Total amount recognised in other comprehensive income	**85**	**46**
Total	**214**	**129**

The current service cost and the net interest expense for the year are included in the "Employee Benefit Expense" line item in the statement of profit and loss

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Opening defined benefit obligation	353	240
Current service cost	125	82
Past service cost	-	-
Interest cost	23	16
Remeasurements (gains)/losses:		
- Actuarial (gain)/loss from change in demographic assumptions	24	4
- Actuarial (gain)/loss from change in financial assumptions	30	4
- Actuarial (gain)/loss from change in experience adjustments	33	40
Benefits paid	(36)	(33)
Closing defined benefit obligation	**552**	**353**

*On account of inter group transfer

Movement in present values of defined benefit obligations

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Defined benefit obligation at the beginning of the year	353	240
Current service cost	125	82
Interest cost	23	16
Actuarial (gains) / losses	87	48
Benefits paid by the plan	(23)	(33)
Benefits paid directly by the company	(13)	-
Defined benefit obligation at the end of the year	**552**	**353**

Movement in fair value of plan assets

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Fair value of plan assets at the beginning of the year	220	207
Contributions paid into the plan	112	29
Benefits paid by the plan	(23)	(33)
Expected return on plan assets	19	15
Actuarial (losses) / gains	2	2
Fair value of plan assets at the end of the year	**330**	**220**

Expense recognised in the statement of profit or loss

INR in Lakhs

Particulars	Year ended 31 Mar 2020	Year ended 31 Mar 2019
Current service cost	125	82
Interest on obligation	23	16
Expected return on plan assets	(19)	(15)
Net actuarial (gain)/ loss recognised in the year	87	48
Benefits paid directly by the company	(13)	-
Total	**157**	**112**

Actuarial assumptions

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Discount rate	5.60%	7.00%
Estimated rate of return on plan assets	5.60%	7.00%
Attrition rate	25.00%	25.00%
Future salary increases	10.00%	10.00%
Retirement age	58 years	58 years

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Assumptions regarding future mortality are based on published statistics and mortality tables. The calculation of the defined benefit obligation is sensitive to the mortality assumptions.

Five year information

INR in Lakhs

Gratuity	31st Mar 2020	31st Mar 2019	31st Mar 2018	31st Mar 2017	31st Mar 2016
Defined benefit obligation	552	353	240	164	139
Fair value of plan assets	330	220	206	115	108
Deficit in plan	221	132	34	48	31
Experience adjustments on plan liabilities	33	40	(41)	(45)	(23)
Experience adjustments on plan assets	-	-	-	-	(2)

Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase.The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.The results of sensitivity analysis is as follows :

INR in Lakhs

	Year ended 31st Mar 2020		Year ended 31st Mar 2019	
	Increase	Decrease	Increase	Decrease
100 base points increase/ decrease				
Discount rate	(19)	21	(12)	13
Future salary growth	20	(19)	13	(12)
Attrition rate	(2)	2	(4)	2

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There in no change in the method of valuation for the prior periods in preparing the sensitivity analysis. For change in assumptions refer to note (a) above.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation asset recognised in the balance sheet.

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Expected benefits for year 1	92.95	53.08
Expected benefits for year 2	81.91	61.16
Expected benefits for year 3	99.72	70.51
Expected benefits for year 4	126.31	86.15
Expected benefits for year 5	153.68	113.99
Expected benefits for year 6	158.53	123.35
Expected benefits for year 7	142.64	115.49
Expected benefits for year 8	131.72	103.13
Expected benefits for year 9	117.07	94.89
Expected benefits for year 10 and above	168.39	83.25

The weighted average duration of the payment of these cash flows is 4 years (FY 2018-19 - 4 years)

c) Other long term employee benefits

The liability for compensated absences as at 31st March, 2020 is Rs 167.54 lakhs and as at 31st March, 2019 is Rs 120.57 lakhs.

37 SEGMENT REPORTING

The Group is primarily engaged into business of providing loans for vehicle finance. The Group has its operations within India and all revenues are generated within India. As such, there are no separate reportable segments as per the provisions of IND AS 108 on 'Operating Segments'.

38 CONTINGENT LIABILITIES AND COMMITMENTS

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Claims against the Company not acknowledged as debts: Value added taxes [bank guarantee provided against the claim Rs 75 lakhs (31st March, 2019 : Rs 75 lakhs)]	180	59
Bank guarantee against securitisation transactions	4,558	4,552
Commitments: Sanctioned and undisbursed amounts of loans	4,817	6,302

The Company also receives claims, including those on collection and repossession related matters, which arise in the ordinary course of the business. However, the management does not believe that such matters would have a material effect on the financial statements.

There are no significant capital commitments as at the year end.

39 RELATED PARTY DISCLOSURES

Name of the related parties and nature of relationship

Holding company / Ultimate Holding Company	Ashok Leyland Limited ("ALL") – Holding Company of Hinduja Leyland Finance Limited Hinduja Automotive Limited ("HAL") – Holding Company of ALL Machen Holdings S.A ("Machen") – Holding Company of HAL Machen Development Corporation ("MDC") – Holding Company of Machen Amas Holdings S.A. – Holding Company of MDC
Subsidiary company	Hinduja Housing Finance Limited ("HHF")
Associate company	HLF Services Limited ("HSL")
Fellow subsidiary	Hinduja Energy (India) Limited Gulf Ashley Motors Limited
Key management personnel (KMP)	Mr. S. Nagarajan, Executive Vice Chairman Mr. Sachin Pillai, Managing Director & CEO Mr. Kishore Kumar Lodha, Chief Financial Officer Mr. B Shanmugasundaram, Company Secretary

Also refer note 46

Related party transactions

INR in Lakhs

Nature of transaction	Holding company (ALL)	Associate	Fellow subsidiary	KMP
Salaries and allowances				
- Mr. S. Nagarajan	- -	- -	- -	378 (321)
- Mr. Sachin Pillai	- -	- -	- -	284 (253)
- Mr. Kishore Kumar Lodha	- -	- -	- -	101 (81)
- Mr. B Shanmugasundaram	- -	- -	- -	45 (34)
Inter-corporate deposits (Hinduja Energy (India) Limited)	- -	- -	17,500 (9,000)	- -
Repayment of Inter-corporate deposits (Hinduja Energy (India) Limited)	- -	- -	22,000 (4,500)	- -
Advance given (Gulf Ashley Motors Limited)	- -	- -	4,160 (9,766)	- -
Advance repayment (Gulf Ashley Motors Limited)	- -	- -	4,855 (9,092)	- -
Reimbursement of expenses incurred on behalf of the related party	1 (0)	- -	- -	- -
Interest income	-	-	-	-
- Hinduja Energy (India) Limited	- -	- -	691 (462)	- -
- Gulf Ashley Motors Limited	- -	- -	8 (1)	- -
Purchase of services including tax:				
a. Service provider fee	- -	8,622 (7,410)	- -	- -
b. Sourcing / marketing expenses	- -	- -	- -	- -
Income from other services	- -	- (9,305)	- -	- -
Number of equity shares allotted on exercise of options - Mr. Sachin pillai	- -	- -	- -	10,000 (70,000)

Figures in bracket represent previous year figures.

Also refer note 46

Year end balances

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Amounts due from related parties		
- Hinduja Energy (India) Limited	-	4,500
- HLF Services Limited	5,186	11,359
- Gulf Ashley Motors Limited	-	713

There are no provisions for doubtful debts / advances or amounts written off or written back for debts due from/ due to related parties.

The transactions disclosed above are exclusive of GST.

The Company enters into transactions, arrangements and agreements involving directors, senior management and their business associates, or close family members, in the ordinary course of business under the same commercial and market terms, interest and commission rates that apply to non-related parties.

40 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/ or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the company uses the same basis of expected repayment behaviour as used for estimating the EIR.

INR in Lakhs

Particulars	As at 31st Mar 2020			As at 31st Mar 2019		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Assets						
Cash and cash equivalents	84,269	-	84,269	25,354	-	25,354
Bank Balance other than cash and cash equivalents	-	14,610	14,610	-	11,840	11,840
Other Receivables	17,500	5,040	22,540	6,200	9,431	15,631
Loans	717,513	1,215,370	1,932,883	621,854	1,197,406	1,819,260
Investments	18,342	44,998	63,340	75,586	44,439	120,025
Other financial assets	59,375	30,889	90,264	101,764	35,447	137,211
Current tax assets (net)	7,604	-	7,604	7,462	-	7,462
Property, Plant and Equipment	-	5,157	5,157	-	5,107	5,107
Capital work-in-progress	-	116	116	-	-	-
Other Intangible assets	-	63	63	-	32	32
Right of use assets	-	2,650	2,650	-	-	-
Other non-financial assets	2,969	-	2,969	1,560	-	1,560
Total Assets	**907,572**	**1,318,893**	**2,226,465**	**839,780**	**1,303,702**	**2,143,482**

INR in Lakhs

Particulars	As at 31st Mar 2020			As at 31st Mar 2019		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Liabilities						
Other payables	-	-	-	-	-	-
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,139	-	2,139	357	-	357
Debt Securities	61,602	26,698	88,300	100,160	105,455	205,615
Borrowings (other than debt securities)	559,126	1,061,888	1,621,014	564,089	906,230	1,470,319
Subordinated liabilities	20,570	111,018	131,588	11,000	132,408	143,408
Other financial liabilities	37,060	5,565	42,625	27,936	17,422	45,358
Provisions	291	111	402	-	252	252
Deferred tax liabilities (net)	-	7,359	7,359	-	785	785
Other non-financial liabilities	546	-	546	663	-	663
Total Liabilities	**681,334**	**1,212,639**	**1,893,973**	**704,205**	**1,162,552**	**1,866,757**
Net	**226,238**	**106,254**	**332,492**	**135,575**	**141,150**	**276,725**

41 LEASES

Effective 1st April, 2019, the Group has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using modified retrospective method. the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use assets at an amount equal to the lease liability discounted at the incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31st March, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for the year ended March 31, 2019.

On the date of initial application, the adoption of the new standard resulted in recognition of 'Right to Use' asset (ROU) of Rs 3,048 Lakhs and a lease liability of Rs 2,608 Lakhs. The weighted average of discount rate applied to lease liabilities as at 1st April, 2019 is 9.31%. the Group has recognised amortisation of ROU aggregating of Rs 398.42 Lakhs and interest expenses on lease liabilities of Rs 85 Lakhs in the Statement of Profit and Loss for the year ended 31st March, 2020. Lease payments during the year have been disclosed under financial activities in the cash flow statements

The following is the summary of practical expedients elected on initial application:

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

(b) Applied the exemption not to recognise right to use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

(c) Excluded the initial direct costs from the measurement of the right to use asset at the date of initial application.

The difference between the lease obligation recorded as 31st March, 2019 under Ind AS 17 disclosed under note 31 of annual financial statements forming part of 2019 annual report and the value of lease liability as of 1st April, 2019 is primarily on account of discounting the lease liabilities to the present value under Ind AS 116.

Following are the changes in the carry value of the right of use assets for the year ended 31st March, 2020:

INR in Lakhs

Category of ROU Asset	Gross Block			Accumulated Depreciation			Net Block
	As at 1st April 2019	Additions	As at 31st March 2020	As at 1st April 2019	Depreciation	As at 31st March 2020	As at 31st March 2020
Office Premises	-	3,048	3,048	-	398	398	2,650

The aggregate depreciation expenses on ROU assets is included under depreciation and amortization expenses in the Statement of Profit and Loss.

Table showing contractual cash maturities of lease liabilities as at 31st March, 2020 on an undiscounted basis:

INR in Lakhs

Particulars	Year ended 31st Mar 2020	Year ended 31st Mar 2019
Within one year	943	-
After one year but not more than five years	1,289	-
More than five years	318	-
Total	**2,550**	**-**

The Group does not face significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Group has taken vehicles on finance lease for a period of 48 months.the Group's obligation under finance lease is secured by the minimum lease rentals outstanding as at the year end as under:

INR in Lakhs

Particulars	Year ended 31st Mar 2020	Year ended 31st Mar 2019
Within one year	24	-
After one year but not more than five years	34	-
More than five years	-	-
Total	**58**	**-**
Less : Future finance charges	8	-
Present value of minimum lease payments	**50**	**-**
Total	**58**	**-**

INR in Lakhs

	Particulars	Year ended 31st Mar 2020	Year ended 31st Mar 2019
42	**CORPORATE SOCIAL RESPONSIBILITY ("CSR") EXPENDITURE**		
	(a) Gross amount required to be spent by the Group during the year as per Section 135 of the Companies Act, 2013 read with schedule VII	679	530
	(b) Amount spent during the year on:		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than (i) above	716	227
43	**UTILISATION OF THE PROCEEDS OF RIGHTS ISSUE**		
	Proceeds from rights issue	-	19,969
	Utilisation during the year – Loan to customers	-	(19,969)
	Un-utilised amount at the end of the year	-	-
44	**EXPENDITURE IN FOREIGN CURRENCY**		
	Legal and professional charges	41	79

45 FINANCIAL INSTRUMENT

A Fair value measurement

Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions i.e, exit price. This is regardless of whether that price is directly observable or estimated using a valuation technique.

Financial instruments by category

INR in Lakhs

Particulars	Carrying amount	Fair value			
	FVOCI	Level 1	Level 2	Level 3	Total
As at 31st March 2020					
Loans	698,932	-	-	751,408	751,408
As at 31st March 2019					
Loans	634,006	-	-	664,034	664,034

The Group does not have any financial assets measured at fair value as on 31st March, 2020 and 1st April, 2019.

Reconciliation of level 3 fair value measurement is as follows

INR in Lakhs

Loans	Year ended 31st Mar 2020	Year ended 31st Mar 2019
Loans, measured at FVOCI		
Balance at the beginning of the year	30,028	-
Total gains measured through OCI for additions made during the year	22,448	30,028
Balance at the end of the year	**52,476**	**30,028**

Sensitivity analysis

INR in Lakhs

	Equity, net of tax	
	Increase	Decrease
31st March 2020		
Loans		
Interest rates (1% movement)	15,325.39	15,325.39

The carrying value and fair value of other financial instruments by categories as of 31st March, 2020 were as follows:

INR in Lakhs

Particulars	Carrying amount	Fair value			
	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value:					
Loans	1,990,592	-	-	2,092,112	2,092,112
Investments	63,079	8,000	-	58,076	66,076
Total	**2,053,671**				
Financial liabilities not measured at fair value:					
Debt securities	88,300	88,300	-	-	88,300
Borrowings	1,621,015	-	-	1,621,015	1,621,015
Subordinated liabilities	131,588	131,588	-	-	131,588
Total	**1,840,903**				

The carrying value and fair value of financial instruments by categories as of 31st March, 2019 were as follows:

INR in Lakhs

Particulars	Carrying amount	Fair value			
	Amortised cost	Level 1	Level 2	Level 3	Total
Assets:					
Loans	1,869,922	-	-	2,023,900	2,023,900
Investments	119,779	10,000	-	113,937	123,937
Total	**1,989,701**				
Liabilities:					
Debt securities	205,615	205,615	-	-	205,615
Borrowings	1,470,319	-	-	1,470,319	1,470,319
Subordinated liabilities	143,408	143,408	-	-	143,408
Total	**1,819,342**				

B Measurement of fair values

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, balances other than cash and cash equivalents, other financial assets (excluding dealer trade advances) and trade payables without a specific maturity. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet. The carrying amounts of the short term financial assets and liabilities are reasonable approximation of their fair values.

Borrowings

The debt securities, borrowings and subordinated liabilities are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.

Loans, Dealer trade advances and other receivables

The fair values of loans and receivables are estimated by discounted cash flow models that incorporate assumptions for credit risks, foreign exchange risk, probability of default and loss given default estimates.

Investments

The fair values financial of held-to-maturity investments are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk. Investment in mutual funds has been taken as Level 1 and value has been considered based on mutual fund statement.

Transfers between levels I and II

There has been no transfer in between level I and level II.

C Capital management

The Group maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI). The adequacy of the Group's capital is monitored using, among other measures, the regulations issued by RBI.

The Group has complied in full with all its externally imposed capital requirements over the reported period. Equity share capital and other equity are considered for the purpose of Company's capital management.

The primary objectives of the Group's capital management policy are to ensure that The Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, The Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

46 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise borrowings from banks and debentures. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's financial assets include loan and advances, investments and cash and cash equivalents that derive directly from its operations.

The Group's is exposed to credit risk, liquidity risk and market risk. the Group’s board of directors has an overall responsibility for the establishment and oversight of the Group’s risk management framework. The board of directors has established the risk management committee and asset liability committee, which is responsible for developing and monitoring the Group’s risk management policies. The committee reports regularly to the board of directors on its activities.

The Group’s risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group’s activities.

The Group’s risk management committee oversees how management monitors compliance with the Group’s risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party to financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and loans

The carrying amounts of financial assets represent the maximum credit risk exposure.

A. Loans and advances

The Group’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry.

The Board has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group’s standard payment and delivery terms and conditions are offered. the Group’s review includes external ratings, if they are available, financial statements, credit agency information, industry information etc.

The Group’s exposure to credit risk for loans and advances by type of counterparty is as follows. All these exposures are with in India.

INR in Lakhs

Particulars	As at 31st Mar 2020	As at 31st Mar 2019
Retail Loans	1,768,793	1,675,768
Term Loans	221,799	154,653
Inter-corporate deposits	-	39,500
	1,990,592	**1,869,922**
Less : Impairment loss allowance	(57,709)	(50,662)
	1,932,883	**1,819,260**

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the loan receivables are categorised into groups based on days past due. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - financial instruments.

Staging:

As per the provision of Ind AS 109 general approach all financial instruments are allocated to stage 1 on initial recognition. However, if a significant increase in credit risk is identified at the reporting date compared with the initial recognition, then an instrument is transferred to stage 2. If there is objective evidence of impairment, then the asset is credit impaired and transferred to stage 3.

The Group considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

For financial assets in stage 1, the impairment calculated based on defaults that are possible in next twelve months, whereas for financial instrument in stage 2 and stage 3 the ECL calculation considers default event for the lifespan of the instrument.

As per Ind AS 109, Company assesses whether there is a significant increase in credit risk at the reporting date from the initial recognition. Company has staged the assets based on the Day past dues criteria and other market factors which significantly impacts the portfolio.

Holding company

Days past dues status	Stage	Provisions
Current	Stage 1	12 Months Provision
1-30 Days	Stage 1	12 Months Provision
31-90 Days	Stage 2	Lifetime Provision
90+ Days	Stage 3	Lifetime Provision

Subsidiary company

Days past dues status	Stage	Provisions
Current	Stage 1	12 Months Provision
1-30 Days	Stage 1	12 Months Provision
31-60 Days	Stage 2	Lifetime Provision
61-90 Days	Stage 2	Lifetime Provision
90+ Days	Stage 3	Lifetime Provision

Grouping

As per Ind AS 109, Company is required to group the portfolio based on the shared risk characteristics. Company has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups:

- Commercial vehicle loans

- Two wheeler loan
- Construction equipments
- Three wheeler loan
- Housing Loan
- Loan against property
- Investments

Expected credit loss ("ECL"):

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components:

a. Marginal probability of default ("MPD")

b. Loss given default ("LGD")

c. Exposure at default ("EAD")

d. Discount factor ("D")

Marginal probability of default:

PD is defined as the probability of whether borrowers will default on their obligations in the future. Historical PD is derived from the internal data which is calibrated with forward looking macroeconomic factors.

The company has made overlays to the ECL Model to consider the impact of the COVID-19 pandemic on the provision. The probabilty of default has been stressed depending on the type of portfolio, credit risk and likely consequential default due to pandemic. The impact on collateral values is also stressed for determination of loss given default wherever necessary as appropriate. Also refer note 49.

LGD:

LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods. Various approaches are available to compute the LGD. The Group has considered the workout LGD approach by considering historical losses and recoveries. The following steps are performed to calculate the LGD:

1) Analysis of historical credit impaired accounts at cohort level.

2) The computation consists of five components, which are:

a) Outstanding balance (POS)

b) Recovery amount (discounted yearly) by initial contractual rate.

c) Expected recovery amount (for incomplete recoveries), discounted to reporting date using initial contractual rate.

d) Collateral (security) amount

The formula for the computation is as below:

% Recovery rate = (discounted recovery amount + security amount + discounted estimated recovery) / (total POS)

% LGD = 1 – recovery rate

EAD:

As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. the Group has modelled EAD based on the contractual and behavioral cash flows till the lifetime of the loans considering the expected prepayments.

Company has considered expected cash flows for all the loans at DPD bucket level for each of the segments, which was used for computation of ECL. Moreover, the EAD comprised of principal component, accrued interest and also the future interest for the outstanding exposure. So discounting was done for computation of expected credit loss.

Discounting:

As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate.

Analysis of changes in the gross carrying amount and the corresponding ECL allowances:

INR in Lakhs

Particulars	31st Mar 2020				31st Mar 2019			
	Stage 1	Stage 2	Stage 3	Total	Revised Stage 1	Stage 2	Revised Stage 3	Total
Gross carrying amount opening balance	1,513,391	235,402	121,129	1,869,922	1,219,065	155,804	98,340	1,473,210
Assets derecognised or repaid	(538,404)	(77,865)	(16,746)	(633,015)	(449,793)	(32,685)	(20,952)	(503,430)
Transfers from Stage 1 **	(316,743)	203,698	15,155	(97,891)	(165,054)	135,284	37,577	7,807
Transfers from Stage 2 **	22,280	(96,919)	18,407	(56,232)	41,252	(59,417)	7,167	(10,997)
Transfers from Stage 3 **	932	3,404	(17,543)	(13,207)	5,276	2,635	(6,179)	1,732
New assets originated*	838,078	82,184	753	921,015	862,644	33,781	5,176	901,600
Gross carrying amount closing balance	**1,519,535**	**349,903**	**121,154**	**1,990,592**	**1,513,391**	**235,402**	**121,129**	**1,869,922**

* New assets originated are those assets which have originated during the year.

** Represents the balance outstanding as at beginning of the year, net of repayments made during the year, if any. The repayments are forming part of "Assets derecognised or repaid".

Reconciliation of ECL balance is given below:

INR in Lakhs

Particulars	31st Mar 2020				31st Mar 2019			
	Stage 1	Stage 2	Stage 3	Total	Revised Stage 1	Stage 2	Revised Stage 3	Total
ECL allowance - opening balance	**3,653**	**1,339**	**45,671**	**50,662**	**5,276**	**1,777**	**43,927**	**50,980**
Assets derecognised or repaid (excluding write offs)	(1,059)	(369)	(6,116)	(7,543)	(2,038)	(546)	(9,262)	(11,846)
Transfers from Stage 1	(752)	903	6,083	6,234	(752)	675	14,173	14,097
Transfers from Stage 2	104	(524)	7,304	6,884	98	(591)	2,310	1,817
Transfers from Stage 3	4	9	(6,709)	(6,695)	13	15	(2,718)	(2,690)
New assets originated and incremental charge during the year	4,519	347	8,597	13,463	2,690	172	9,904	12,766
Write offs during the year	(12)	-	(1,249)	(1,261)	-	-	(9,815)	(9,815)
Transfer to OCI	454	(233)	(4,254)	(4,034)	(1,634)	(164)	(2,848)	(4,646)
Closing provision of ECL	**6,910**	**1,473**	**49,326**	**57,709**	**3,653**	**1,339**	**45,671**	**50,662**

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.The main types of collateral obtained are, vehicles, loan portfolios and mortgaged properties based on the nature of loans. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement. The Group advances loan to maximum extent of 70% of the value of the mortgaged properties and 100% in case of vehicles respectively.

The Group also physically reposses commercial vehicles for the recovery of loans. These balances are also disclosed in loan to customers as such repossessed assets are disposed.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of the aforesaid balances.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its obligations associated with its financial liabilities. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due.

The Group is monitoring its liquidity risk by estimating the future inflows and outflows during the start of the year and planned accordingly the funding requirement. The Group manages its liquidity by unutilised cash credit facility, term loans and direct assignment.

The composition of the Group's liability mix ensures healthy asset liability maturity pattern and well diverse resource mix.

The total cash credit limit available to the Company is Rs 1,475 crores spread across 16 banks. The utilization level is maintained in such a way that ensures sufficient liquidity on hand.

The Group's portfolio is loans which qualifies as Priority Sector Lending. The Group has also made sales through direct assignment route (off book) approximately 10% to 25% of assets under management. This further strengthens the liability management.

The table below summarises the maturity profile of the Group's non derivative financial liabilities based on contractual undiscounted payments along with its carrying value as at the balance sheet date.

INR in Lakhs

As at 31 March 2020	Contractual cash flows				
	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	2,139	2,139	-	-	-
Borrowings	1,621,015	553,730	811,586	231,147	24,552
Debt Securities	88,300	61,602	26,698	-	-
Subordinated liabilities	131,588	20,570	40,477	70,541	-
Lease liability	2,608	967	1,048	275	318
Other financial liabilities	40,179	36,093	3,924	-	162
Total	**1,885,829**	**675,101**	**883,733**	**301,963**	**25,032**

INR in Lakhs

As at 31st March 2020	Contractual cash flows				
	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial assets					
Cash and Cash Equivalents	82,879	82,879			
Bank balances other than (a) above	14,610	14,610			
Loans	1,770,708	704,350	696,680	194,374	175,304
Investments	77,684	17,681	28,382	9,573	22,048
Other financial assets	112,328	76,238	26,731	8,782	577
Total	**2,058,209**	**895,758**	**751,793**	**212,729**	**197,929**

INR in Lakhs

As at 31st March 2019	Contractual cash flows				
	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	357	357	-	-	-
Borrowings	1,461,978	562,950	681,834	193,647	23,548
Debt Securities	205,615	112,175	93,440	-	-
Subordinated liabilities	143,408	11,000	39,500	23,000	69,908
Other financial liabilities	45,521	31,054	10,715	3,520	231
Total	**1,856,879**	**717,535**	**825,489**	**220,167**	**93,687**
Financial assets					
Cash and Cash Equivalents	24,227	24,227	-	-	-
Bank balances other than (a) above	11,840	11,840	-	-	-
Loans	1,688,684	715,115	654,861	215,653	103,055
Investments	129,870	77,407	26,467	6,996	19,000
Other financial assets	151,746	102,991	36,111	11,863	781
Total	**2,006,367**	**931,580**	**717,439**	**234,512**	**122,836**

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk and foreign currency risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(iv) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's investment in bank deposits and variable interest rate lending. Whenever there is a change in borrowing interest rate for the Group, necessary change is reflected in the lending interest rates over the timeline in order to mitigate the risk of change in interest rates of borrowings.

Loans extended by the Company are fixed and floating rate loans.

The sensitivity analysis have been carried out based on the exposure to interest rates for bank deposits, lending and borrowings carried at variable rate.

INR in Lakhs

Particulars	For the year ended 31st Mar 2020		For the year ended 31st Mar 2019	
Change in interest rates	**25 bps increase**	**25 bps decrease**	**25 bps increase**	**25 bps decrease**
Floating rate borrowings				
Floating rate loans				
Impact on profit for the year	(4,255)	4,255	(3,783)	3,783

(v) Foreign currency risk

The Group does not have any instrument denominated or traded in foreign currency. Hence, such risk does not affect the Group.

47 Share of individual companies in the consolidated net assets and consolidated profit or loss

a Share in net assets i.e. total assets minus total liabilities as a % of consolidated net assets

INR in Lakhs

Particulars	31st Mar 2020		31st Mar 2019	
	%	Amount	%	Amount
Parent				
Hinduja Leyland Finance Limited	91.92%	305,635	93.01%	257,382
Subsidiary				
Hinduja Housing Finance Limited	8.00%	26,591	6.90%	19,097
Associate				
HLF Services Limited	0.08%	266	0.09%	246
Total	**100.00%**	**332,492**	**100.00%**	**276,725**

b Share in profit or loss as a % of consolidated net assets

INR in Lakhs

Particulars	Year ended 31st March 2020		Year ended 31st March 2019	
	%	Amount	%	Amount
Parent				
Hinduja Leyland Finance Limited	89.23%	29,198	91.75%	27,564
Subsidiary				
Hinduja Housing Finance Limited	10.57%	3,460	7.88%	2,368
Associate				
HLF Services Limited	0.20%	65	0.37%	111
Total	**100.00%**	**32,723**	**100.00%**	**30,043**

48 Transfer pricing

The Group has domestic transactions with related parties. The management confirms that it maintains documents required by the relevant provisions of the Income-tax Act, 1961 to prove that these transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

49 The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package dated 27th March, 2020 and 17th April, 2020 and 22nd May, 2020 and in accordance therewith, the Group has proposed a moratorium of three months on the payment of all principal instalments and/ or interest, as applicable falling due between April 2020 and 31st May, 2020 to all eligible borrowers classified as standard, even if overdue as on 29th February, 2020, excluding the collections made/already made in the month of March 2020.as per the RBI guidelines and approval by its Board of directors.

Further, the Group has, based on current available information and based on the policy approved by the board determined the provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Group's management has considered internal and external information including credit reports and economic forecasts upto the date of approval of these financial results. Based on the current indicators of future economic conditions, the Group considers this provision to be adequate and expects to recover the carrying amount of these financial assets.

The extent to which the COVID-19 pandemic will impact the Group's future results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Group. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Group will continue to closely monitor any material changes to future economic conditions.

50 Subsequent events

There are no significant subsequent events that have occurred after the reporting period till the date of these financial statements.

51 Previous year figures

Previous year figures have been restated / regrouped / re-classified wherever necessary in line with the financial results for the year ended 31st March, 2020.

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993TN2008PLC069837

Dheeraj G Hinduja *Chairman* *DIN No : 00133410*	**S Nagarajan** *Executive Vice Chairman* *DIN No : 00009236*	**Sachin Pillai** *Managing Director & CEO* *DIN No : 06400793*
Kishore Kumar Lodha *Chief Financial Officer*	**B Shanmugasundaram** *Company Secretary* *Membership No: F5949*	

Place : Chennai
Date : 20th June, 2020

NATIONAL NETWORK OF BUSINESS LOCATIONS

BUSINESS HUBS

• **ANDHRA PRADESH:** Amalapuram | Bhimavaram | Chirala | Chittoor | Eluru | Gudivada | Guntur | Jangareddy Gudem | Kakinada | Khammam | Kodad | Kothagudem | Machilipatnam | Madanapalli | Markapuram | Miryalguda | Naidupeta | Nandigama | Narasaraopet | Nellore | Nuzvid | Ongole | Rajahmundry | Sattupally | Srikakulam | Suryapet | Tadepalligudem | Tenali | Thirupathi | Tuni | Vijayawada | Visakhapatnam | Vizianagaram • **ASSAM:** Guwahati | Nagaon • **CENTRAL:** Akola | Ambikapur | Amravati | Balaghat | Bhilai | Bhopal | Bilaspur | Buldhana | Chandrapur | Chindwara | Dhamtari | Gondia | Gwalior | Indore | Jabalpur | Jabalpur 2 | Jagdalpur

| Katni | Khamgaon | Korbha | Mandala | Nagpur | Raigarh | Raipur | Ratlam | Rewa | Sagar | Sendhwa | Shadol | Sidhi | Wardha | Yavatmal • **DELHI AND HARYANA**: Faridabad | Gurgaon | Gurgaon | Hissar | Janakpuri | Karnal | Noida | Panchsheel | Rewari | Rohtak | Sanjay Gandhi • **EAST:** Arrah | Aurangabad Et | Begusarai | Daltongunj | Darbhanga | Dhanbad | Dumka | Gaya | Hajipur | Hazaribagh | Jamshedpur | Jorhat | Katihar | Motihari | Muzzaffarpur | Nalanada | Patna | Patna | Purnea | Ranchi | Saharsa | Samastipur | Sasaram | Sitamarhi | Siwan • **GUJARAT:** Ahmedabad | Anand | Baroda | Bhavnagar | Dabhoi | Gandhidham | Godhara | Himmatnagar | Jamnager | Mehsana | Nadiad | Rajkot | Surat | Valsad • **KARNATAKA:** Bagalkot | Bangalore | Bangalore Tw | Basavakalyan | Belgaum | Bellary | Bidar Tw | Bijapur | Chikmagalore | Chitradurga | Davangere | Gulbarga | Hassan | Haveri | Hospet | Hubli | Mandya | Mangalore | Mysore | Shimoga | Tumkur • **KERALA:** Alleppey | Calicut | Cochin | Kannur | Kollam | Kottayam | Malappuram | Palakkad | Trichur | Trivandrum • **MAHARASHTRA:** Ahmednagar | Aurangabad | Baramati | Beed | Bkc Office | Dadar Office | Jalgaon | Kalyan Office | Kolhapur | Latur | Nanded | Nashik | Navi Mumbai | Parbhani | Pune | Satara | Solapur | Thane | Vasai • **ORISSA:** Angul | Balasore | Barbil | Baripada | Bhadrak | Bhubaenswar Tw | Bhubaneswar | Bolangir | Brahmapur | Cuttack Tw | Jagatsinghpur | Jajpur | Jeypore | Kendrapara | Nayagarh | Phulbani | Raygada | Rourkela | Sambalpur | Semiliguda • **PUNJAB:** Abohar | Ambala | Amritsar | Baddi | Barmana | Bathinda | Bilaspur | Chandigarh | Darlaghat | Hamirpur | Jalandhar | Jammu | Joginder Nagar | Kangra | Kullu | Ludhiana | Mandi | Nalagarh | Palampur | Paontasahib | Pathankot | Patiala | Rajpura | Rampur | Rohru | Ropar | Shimla | Shimla 1 | Solan | Una | Yamunanagar • **RAJASTHAN:** Ajmer | Alwar | Anoopgarh | Bajju | Banswara | Baran | Barmer | Beawar | Behror | Bharatpur | Bhilwara | Bhinmal | Bikaner | Bundi | Chirawa | Chittorgarh | Chomu | Churu | Dausa | Dungerpur | Hanumangarh | Hindaun City | Jaipur Branch Office | Jaipur State Office Lap | Jaipur State Office-cv | Jhalawar | Jhunjhunu 1 & 2 | Jodhpur | Kekri | Kishangarh | Kota | Nagaur | Nasirabad | Neem Ka Thana | Nohar | Nokha | Pali | Phalodi | Rajsamand | Rawatsar | Sadulpur | Sardarshar | Sawai Madhopur | Shahpura | Shri Ganganagar | Sikar | Sridungagarh | Sujangarh | Sumerpur | Suratgarh | Tonk | Transport Nagar Jaipur | Udaipur • **TAMILNADU:** Coimbatore | Dharmapuri | Dindigul | Erode | Hosur | Kanchipuram | Karur | Kumbakonam | Madurai | Mayiladudurai | Nagerkoil | Namakkal | Parrys | Perambalur | Pondicherry | Ranipet | Saidapet | Salem | Sankiri | Sivakasi | Thanjavur | Theni | Tirunelveli | Tirupattur | Tiruvallur | Tiruvannamalai | Tiruvarur | Trichy | Vellore | Villupuram • **TELANGANA:** Adliabad | Anantpaur | Cuddapah | Guntakal | Hindupur | Hyderabad | Jagtial | Kalayandurg | Kamareddy | Karimnagar | Kurnool | Mahabubnagar | Mancherial | Nalgonda | Nandyal | Nirmal | Nizamabad | Rc Puram | Sangareddy | Vikarabad | Warangal • **UTTAR PRADESH:** Allahabad | Azamgarh | Faizabad | Ghaziabad | Gorakhpur | Hardoi | Jhansi | Kanpur | Lucknow | Mirzapur | Raebareilly | Sultanpur | Varanasi • **UTTARAKHAND ONE:** Agra | Bareilly | Dehradun | Haldwani | Haridwar | Lakhimpur Khiri | Meerut | Saharanpur • **WEST BENGAL:** Baruipur | Berhampore | Durgapur | Kharagpur | Kolkata | Kolkata | Madinipur/tamluk | Malda | Siliguri

BUSINESS LOCATIONS

ANDHRA PRADESH: Aarang | Akaltara | Amarwara | Ambikapur | Amgaon | Anakapalli | Anuppur | Baitul | Bakawand | Balaghat | Baloda Bazar | Balrampur | Baradwar | Barela | Bareli | Bemetara | Berasia | Bhadrawati | Bhandara | Bhanpuri | Bhatapara | Bhilai | Bhimadole | Bidhni | Bilaspur-Cg | Bina | Birgaon | Birra | Bishsrampur | Bramhapuri | Buttibori | Champa | Chanderpur | Chandrapur | Chhatarpur | Chindwara | Chintalapudi | Chourai | Chowdavaram | Dabagardens | Damoh | Dantewada | Depalpur | Dewas | Dhamtari | Dhar | Dharamjaigarh | Dindori | Durg | Dwaraka Tirumala | Eluru | Gadchandur | Gajuwaka | Ganjbasoda | Gargoda | Gariaband | Gondia | Guna | Gwalior | Hingana | Hinganghat | Ichhawar | Indore | Jabalpur | Jagdalpur | Jangareddygudem | Janjgir | Junnardeo | Kalmeshwar | Kamavarapukota | Kamptee | Kareli | Katgohra | Katni | Katol | Kawardha | Khandwa | Khargone | Kondagaon | Korba | Koyalagudem | Lailunga | Lohandiguda | Madhurawada | Mahagaon | Mahasmund | Maihar | Mandala | Manendragarh | Mangaliya | Manpur | Masturi | Mauganj | Mhow | Morena | Mouda | Mul | Mungeli | Nad | Nagarnar | Nagpur | Nalajerla | Narsinghpur | Narsipatnam | Nasrullaganj | Neemach | Pali | Pandharkawada | Pandhurna | Parsioni | Pathalgaon | Pawni | Pendra Road | Pendurthi | Pithampur | Pithumpur | Pulgaon | Raigarh | Raipur | Rajnandgaon | Rajpur Cg | Rajura | Ramtek | Ranjhi | Ratanpur | Ratlam | Rehti | Rewa | Sagar | Sakti | Saoner | Saraipali | Sarangarh | Sargaon | Satna | Semariya | Sendhwa | Seoni | Shadol | Shihora | Shivpuri | Shivrinarayan | Sidhi | Simrol | Singrauli | Sipat/Khariya | Siripuram | Sousar | Tilda | Tiroda | Tokapal | Tumsar | Ujjain | Umrer | Visakhapatnam | Wani | Wardha | Warora | Yelamanchili

DELHI AND HARYANA: Agartala | Araria | Areraj | Arrah | Arwal | Asansol | Aurangabad Et | Aurangabad-Jk | Bagaha | Bahadurgarh | Ballabgarh | Banka | Bankura | Barasat | Baruipur | Begusarai | Benipur | Berhampore | Bettiah | Bhagalpur | Bhiwani | Bihta | Bokaro | Bongaigaon | Brahmpur | Bulandshahr | Burdwan | Buxar | C K Road | Chhapra | Contai | Cooch Behar | Daltongunj | Darbhanga | Delhi | Deoghar | Dhaka | Dhanbad | Dhupguri | Dibrugarh | Dumka | Durgapur | Faridabad | Fatehabad | Forbesganj | Garwha | Gaya | Ghaziabad | Giridih | Goalpara | Godda | Golaghat | Gopalganj | Gumla | Gurgaon | Guwahati One | Guwhati | Hajipur | Hapur | Hathin | Hazaribagh | Hissar | Hodal | Hooghly | Howrah | Jahanabad | Jamshedpur | Jamui | Janak Puri | Jhajjar | Jhanjarpur | Jind | Jorhat | Karnal | Karol Bagh | Katihar | Khagaria | Khandsa | Kharagpur | Khunti | Kishanganj | Kodarma | Kolkata | Krishnagar | Lajpat Nagar | Lakhisarai | Lalganj | Lateh | Laxmi Nagar | Lohardaga | Loni | Mabazar | Madhepura | Madhubani | Maharajganj | Mahua | Malda | Manesar | Mangaldoi | Mashrak | Mawana | Meerut | Mg Road | Mirganj | Model Town | Motihari | Munger | Muzzafarpur | Nagaon | Nalanada | Nalbari | Narela | Narkatiyaganj | Nawada | Nit | Noida | Okhla | Old Faridabad | Palwal | Panipat | Patna | Phansidewa | Preet Vihar | Pupri | Purnea | Purulia | Raghunathganj | Ramgarh | Ranchi | Raxaul | Rewari | Rohtak | Rosra | Sahabganj | Saharsa | Sahebganj | Sahibabad | Samastipur | Sanjay Gandhi | Saraikela | Sasaram | Shahdara | Shamli | Sibsagar | Silchar | Siliguri | Simdega | Sirsa | Sitamarhi | Siwan | Sohna | Sonipat | Sujawalpur | Supol | Suri | Tamluk | Tezpur | Tinsukia | Vikramganj

GUJARAT: 150 Feet Ring Road | Aahwa | Aamod | Adajan | Adalaj | Ahmedabad | Ajwa Road | Alkapuri | Althan | Ambaji | Ambawadi | Amerli | Amroli | Anadpar | Anand | Anjar | Ankalav | Ankleshwar | Ankleshwar | Asarwa Chakla | Ashram Road | Asodar | Atak Pardi | Athwa | Atkot | Atul | Bachau | Bajwa | Balasinor | Balsinor | Balva | Bamroli | Bandhani | Bapunagar | Bardoli | Bardoli | Baroda | Baval | Bavala | Bavla | Bayad | Beraja | Bhachau | Bhadreshwar | Bhalej | Bharuch | Bhatar | Bhatia | Bhavnagar | Bhestan | Bhilad | Bhiloda | Bhuj | Bidada | Bilimora |

Bodeli | Bodeli | Borsad | Borsad | Botad | Chandkheda | Chandlodia | Changodar | Chhani | Chhatral | Chhota Udaipur | Chikhali | Chiloda | Chotila | Ctm | Dabhoi | Dahej | Dahishara | Dahod | Dahod | Dakor | Dariapur | Dediapada | Deesa | Dehgam | Desalpar | Devgadh Baria | Dhandhuka | Dhanera | Dhansura | Dharampur | Dharmaj | Dholka | Dhrangadhra | Dhrol | Digjam Mill | Dindoli | Dudhai | Dungari | Dwarka | Falla | Fatepura | Gandevi | Gandhidham | Gandhinagar | Garbada | Ghatlodia | Ghogamba | Godadara | Goghamba | Gojariya | Gondal | Gondal | Gondal Road | Gorwa | Gorwa | Gotri | Gundlav | Hajira | Halol | Halvad | Hapa | Haripar | Harni | Hathijan | Himmatnagar | Ider | Infocity | Isanpur | Jalalpore | Jambusar | Jambusar | Jamkandora | Jamnagar | Jamnagar Road | Jasdan | Jasdan | Jetpur | Jetpur Pavi | Jhalod | Joggers Park | Juhapura | Junagadh | Kadi | Kadod | Kadodara | Kakrej | Kalawad Road | Kalol | Kalol | Kalwada | Kamlapur | Kamrej | Kapadvanj | Kapadwanj | Kaparada | Kapodra | Karelibaug | Karjan | Karmsad | Kasturbadham | Katargam | Kathalal | Kawat | Kera | Keshod | Khajurdi | Khambaliya Gate | Khambhaliya | Khambhat | Khandvel | Khatraj | Kheda | Khedbhrama | Kheralu | Khergam | Kherulu | Khirsara | Khodiyar Colony | Kim | Kodinar | Koparli | Kosamba | Kotda Sangani | Kothariya Road | Kuha | Kukarwada | Kuvadva | Kuvadwa Road | L H Road | Lajai | Lal Darwaja | Latipar | Limbasi | Limbayat | Limkheda | Limkheda | Lodhika | Lunawada | Madhi | Magob | Mahemdabad | Mahendra Nagar | Mahesana | Mahidha | Mahua | Mahudha | Makansar | Makarpura | Maliya Miyana | Maliyasan | Mandal | Mandvi | Mangrol | Mangrol | Maninagar | Maninagar | Manjalpur | Mansa | Matar | Mehsana | Metoda Gidc | Mithapur | Modasa | Modasa Bayad | Morbi | Morbi Road | Morva (Hadaf) | Mota Varachha | Mundra | Nadiad | Nakhatrana | Nana Pondha | Naroda | Naswadi | Nava Vadaj | Navagam | Navrangpura | Navsari | Nenpur | Nilgiri | Nizampura | Ode | Odhav | Old Padra Road | Olpad | Padara | Pal | Palanpur | Paldi | Palej | Palsana | Pandesara | Pansora | Pardi | Patan | Patan | Patel Colony | Pavi Jetpur | Pethapur | Petlad | Pij | Piplod | Porbandar | Prantij | Pratap Nagar | Punagam | Radhanpur | Rajkot | Rajpipla | Rajula | Rakhial | Rampar | Rander | Ranip | Raopura | Rapar | Ratnal | Ravapar | Sachin | Salabatpura | Sama | Samkhyali | Sanand | Sankheda | Santrampur | Santrampur | Sardhar | Sarsa | Sarthana | Saru Section | Satlasana | Sattelite | Savali | Savli | Sayajigunj | Sayan | Sevaliya | Shahera | Shahibag | Shapar | Siddhapur | Sikka | Silvassa | Singanpore | Sojitra | Sola | Surat | Surat Main | Surendranagar | Talaja | Tanakhala | Tandalja | Tankara | Tarapur | Tarapur | Tarsali | Thaltej | Tharad | Thasra | U M Road | Udhna | Umargam | Umarpada | Umreth | Unjha | Unjha And Sidhpur | Upleta | V V Nagar | Vadagam | Vadnagar | Vaghodia | Vagra | Valatava | Valod | Valsad | Vankiya | Vansada | Vap | Varachha | Vasad | Ved Road | Vejalpur | Veraval | Vihar | Vijapur | Vinchhiya | Viramgam | Virpur | Visavadar | Visnagar | Vyara | Wadi | Waghodia Road | Wankaner | Yagnik Road | Zagadiya | Zankhvav

KARNATAKA: Ashok Nagar | Athani | Badami | Bagalkot | Baikampady | Bailhongal | Banal | Banashankari | Banaswadi | Bangalore | Basava Kalyana | Basavakalyan | Basvan Bagewadi | Belgaum | Bellary | Belthangady | Bhadravathi | Bhalki | Bidar | Bijapur | Bilagi | Bommanahalli | Byadagi | Chamrajnagar | Channagiri | Chikaballpura | Chikballapur | Chikmgalore | Chikodi | Chitradurga | Chitradurga | Dabaspet | Davanagere | Devadurga | Devanahalli | Devarhippragi | Dharwad | Doddaballapura | Gadag | Gajendragad | Gangavathi | Gubbi | Gulabraga | Gulburga | Gundlupet | Gurupura | Guttal | H B Halli | Hampankatta | Hangal | Harapanahalli | Harihar | Hassan | Haveri | Hdkote | Honnalli | Hosanagar | Hoskote | Hospet | Hubli | Humnabad | Hunsur | Ilkal | Indi | Jalahalli | Jamkhandi | Jayanagar | Jodumarga | K R Puram | Kadaba | Kalaghatgi | Kgf | Kittur | Kolar | Kollegal | Koppal | Koramangala | Krnagar | Kulshekara | Kundapur | Kunigal | Lakshameshwar | Lingasugur | Madikeri | Madugiri | Mandya | Mangala Gangothri | Mangalore | Manvi | Maski | Moodubidri | Mudhol | Mulabagalu | Mundargi | Mysore | Nanjangud | Nargund | Navalgund | Panemangalore | Periyapatna | Puttur | R T Nagar | Raichur | Rajajinagar |

Ramanagaram | Ranebennur | Ron | Sagar | Sandur | Saundatti | Savanur | Shiaggaon | Shikaripur | Shimoga | Sindagi | Sindhanur | Sira | Siraguppa | Sirsi | Sulya | Thirthahalli | Thorangallu | Thyavanige | Tiptur | Tumkur | Udupi | Ullal | Uppinangady | Vijapur | Vijipur | Yelahanka

KERALA: Adoor | Alappuzha | Alathoor | Alleppey | Aluva | Aroor | Attingal | Calicut | Chalakudy | Chenganacherry | Chengannur | Chenganoor | Cherpulassery | Cherthala | Cheruvathur | Chittoor | Cochin | Cochin North | Cochin South | Ettumanoor | Fort Cochin | Harippad | Irinjalakuda | Iritty | Kadaikkal | Kakkanad | Kanhangad | Kanjirapally | Kannur | Karukachal | Karunagapally | Kasaragod | Kattakada | Kayamkulam | Kazhakuttam | Kodungallur | Kollam | Kondotty | Konni | Koothattukulam | Kottakkal | Kottarakkara | Kottayam | Koyilandy | Kozencherry | Kundara | Kunnamkulam | Kuttiyadi | Malappuram | Manjeri | Manjeshwar | Mannarkadu | Mavelikkara | Muvattupuzha | Nedumangadu | Neyattinkara | Nilambur | Nileshwar | Pala | Palakkad | Pandalam | Pappanmkodu | Parasala | Parippally | Patambi | Pathanamthitta | Pattom | Payyannur | Perambara | Perinthalmanna | Ponkunnam | Punalur | Ramanattukara | Ranni | Thalassery | Thaliparamba | Thamarassery | Thiruvalla | Thodupuzha | Thrissur | Tirur | Tiruvella | Trichur | Tripunithura | Trivandrum | Vadakara | Vadakkencherry | Vaikom | Varkala | Vatakara

MAHARASHTRA: Ahmednagar | Ahmedpur | Akkalkot | Aurangabad-Mh | Ausa | Badgaon | Badnapur | Baramati | Barshi | Bedkin | Beed | Begampur | Bhoisar | Bhokar | Bhokardan | Bhor | Bhusawal | Bicholim | Canacona | Chakan | Chakur | Chalisgaon | Chinchwad | Chopda | Dahisar | Daund | Degloor | Dhanu | Dhule | Dindori | Dombivali | Fulambri | Gangapur | Goa | Goti | Hadapsar | Hadgaon | Ichalkarnji | Jafrabad | Jalgaon | Jalna | Jamner | Kalamboli | Kandhar | Kannad | Karad | Karmad | Kelve | Khedshivapur | Kinwat | Kolhapur | Lasur | Latur | Loha | Lonavala | Mahur | Malegaon | Manchar | Mandrup | Manmad | Manoor | Mantha | Mapusa | Margao | Masjid Bunder | Mohal | Mumbai | Mumbai Western | Murud | Nadurbar | Nanded | Nandur Shingote | Narsi | Nashik | Navi Mumbai | Nilanga | Niphad | Paithan | Palgha | Panjim | Panvel | Parbhani | Partur | Pcmc | Pen | Pimpalgaon | Pirangut | Ponda | Pune | Ranjangaon | Ratnagiri | Raver | Saikheda | Sangamner | Sangli | Sapale | Satana | Savordem | Shahada | Shikrapur | Shirpur | Shirur | Shivaji Nagar | Shrirampur | Sillod | Sinnar | Solapur | South Mumbai | Talasari | Thane | Udgir | Vaijapur | Vasai | Vasco | Velha | Verul | Virar | Wadala | Waluj | Wangaon | Yawal | Yeola

ORISSA: Angul | Aska | Balasore | Barbil | Bargarh | Baripada | Berhampur | Bhadrak | Bhadrakh | Bhawanipatna | Bhubaneswar | Bolangir | Boudh | Cuttack | Dhenkanal | Jagatsinghpur | Jajpur | Jaleswar | Jashipur | Jeypore | Jharsuguda | Kendrapara | Keonjhar | Khallikote | Khurda | Nayagarh | Nimapara | Parlakhemundi | Phulbani | Puri | Rahama | Raygada | Rourkela | Salepur | Sambalpur | Semiliguda | Talcher | Umerkote

PUNJAB: Abohar | Ambala | Amritsar | Arniwala | Baddi | Barmana | Bathinda | Bilaspur-Hp | Chandigarh | Dabwali | Darlaghat | Dehra | Faridkot | Fazlika | Ghumarwin | Hamirpur | Hoshiyarpur | Jagraon | Jalandhar | Jammu | Joginder Nagar | Kangra | Khanna | Kotkapura | Kullu | Kurukshetra | Ludhiana | Mandi | Mansa | Moga | Mohali | Mukerian | Muktsar | Nalagarh | Palampur | Panchkula | Pathankot | Patiala | Phagwara | Rajpura | Rampur-Hp | Rohru | Ropar | Sangrur | Shimla | Sirhind | Solan | Sunni | Talwandi Sabo | Una | Yamunanagar

RAJASTHAN: Ajmer | Alwar | Anoopgarh | Bajju | Balesar | Balotra | Banswara | Baran | Barmer | Beawar | Behror | Bharatpur | Bhilwara | Bhinmal | Bijoloiya | Bikaner | Bundi | Chirawa | Chittorgarh | Chomu | Churu | Dausa | Deoli | Dungerpur | Fatehpur Shekhawati | Gangapur City | Gharsana | Hanumangarh | Hindaun City | Jaipur | Jhalawar | Jhunjunu | Jodhpur | Kekri |

Kishangarh | Kishangarh Renwal | Kota | Lalsot | Lunkaransar | Merta | Nagaur | Nasirabad | Neem Ka Thana | Nohar | Nokha | Pali | Phalodi | Phulera | Pokaran | Rajsamand | Ramganj Mandi | Rawatsar | Sadulpur | Sagwara | Sardarsahar | Shahpura | Shastri Nagar | Sikar | Sri Dungargarh | Sriganganagar | Sujangarh | Sumerpur | Suratgarh | Swai Madhopur | Tonk | Transport Nagar Jaipur | Udaipur

TAMILNADU: Aavudaiyar Kovil | Adyar | Alanganallur | Alangayam | Alangudi | Alankulam | Ambasamudram | Ambattur | Ambur | Ammapet | Andipattai | Anna Nagar | Anna Salai | Annanagar | Annur | Arakonam | Aranthangi | Aravakurichi | Ariyalur | Arni | Aruppukottai | Attur | Avaniyapuram | Avinashi | Ayyampettai | Bagalur | Bagayam | Bhavani | Bodinayakkanur | Chengalpattu | Chennai | Chinna Tharapuram | Chinnasalem | Chinniyampalayam | Chrompet | Cinnamanoor | Coimbatore | Cuddalore | Cumbam | Denkanikottai | Dharmapuri | Dindigul | Ecr | Elumalai | Erode | Ganapathy | Gingee | Gobichetty Palayam | Gudalur | Harur | Hosur | Kalakkadu | Kallakurichi | Kamarajar Salai | Kamudi | Kanchipuram | Kandili | Karaikal | Karaikudi | Karimangalam | Kariyapatti | Karur | Katpadi | Kaveripattinam | Keeranur | Kelamangalam | Kinathukadavu | Kolathur | Kovilpatti | Krishnagiri | Kulithalai | Kumbakonam | Kuniyamuthur | Kurinjipadi | Lalgudi | Madhavaram | Madhuranthakam | Madurai | Manalmelgudi | Manamadurai | Manapparai | Mannargudi | Maraimalai Nagar | Marthandam | Mayiladudurai | Melur | Mettupalayam | Mettur | Musiri | Nagamalai Pudukkottai | Nagerkoil | Naggapattinam | Namakkal | Natham | Nilakottai | Oddanchathiram | Omalur | Ooty | Othakadai | Palacode | Palani | Palladam | Pallipalayam | Pappireddipatti | Paramakudi | Parrys | Pattukottai | Peelamedu | Peraiyur | Perambalur | Perambur | Periyakulam | Periyanaickenpalayam | Perundurai | Pettavaithalai | Pollachi | Polur | Pondicherry | Ponnaamaravathy | Poonamalle | Pudukkottai | R S Mangalam | Rameswaram | Ramnad | Ranipet | Rasipuram | Redhills | Saidapet | Salem | Sankiri | Saravanampatti | Sathuvachary | Sattur | Selvapuram | Shoolagiri | Singanallur | Sivagangai | Sivakasi | Sriperumbudur | Srirangam | Sulur | Sundarapuram | T Nagar | T.kallupatti | Tambaram | Tenkasi | Thally | Thammampatty | Thanjavur | Theni | Thirukalkundram | Thirukanur | Thirukkattupalli | Thirukkoilur | Thirumangalam | Thirumayam | Thirupparankundaram | Thiruvaiyaru | Thiruverumbur | Thiruvottiyur | Thisaynvilai | Thudiyalur | Thuraiyur | Tindivanam | Tiruchengode | Tirunalveli | Tirupattur | Tirupur | Tiruttani | Tiruvallur | Tiruvarur | Tirvanmiyur | Trichy | Tuticorin | Tv Malai | Usilampatti | Vadavalli | Vadipatti | Valapady | Valasaravakkam | Valliyoor | Vanadalur | Vaniyambadi | Velacherry | Vellayuthapalayam | Vellore | Villianur | Villupuram | Virudhachalam | Virudhunagar

TELANGANA: Adilabad | Adoni | Alampur | Allagadda | Alur | Anantapur | Anantpur | Armoor | Atmakur | Attapur | Badvel | Balanagar | Balkonda | Banaganapalli | Banswada | Begum Bazar | Bejjanki | Belampalli | Bethamcherla | Bodhan | Bowengiri | Boyenpally | Chintal | Choppadandi | Choutupal | Choutupal | Cuddapah | Dharmavaram | Dhone | Dichpalli | Gadwal | Gajwel | Ghatkesar | Giddalur | Godavarikhani | Gooty | Gudur | Guntakal | Hindupur | Hindupur | Huzurabad | Hyderabad | Jagityal | Jammikunta | Jangaon | Jannaram | Jogipet | Kadiri | Kalawakurthy | Kalayandurg | Kamareddy | Karimnagar | Kesamudram | Keshavapatnam | Khagaznagar | Khirthabad | Koilakuntla | Kompally | Kondapur | Korutla | Kosgi | Kukatpally | Kurnool | Lb Nagar | Luxettipet | Mahabubabad | Mahabubnagar | Mahbubabad | Malkajgiri | Mallepally | Mancherial | Medak | Medchal | Metpalli | Mydukur | Nagarkurnool | Nalgonda | Nandayal | Nandikotkur | Nandipet | Nandyal | Narasapur | Narayanapet | Narsampet | Nirmal | Nizamabad | Old City | Parigi | Parkal | Pattikonda | Pedapalli | Peddapalli | Penukonda | Porumamilla | Proddatur | Produttur | Pulivendla | Railwaykoduru | Rajampet | Ranigunj | Ranigunj | Rayachoti | Rayachoti | Rayadurg | Rc Puram | Rtc X Roads | Sadasivapet | Sangareddy

| Santhnagar | Santhosh Nagar | Secunderabad | Shadnagar | Shameerpet | Shankarpally | Siddipet | Sr Nagar | Sricilla | Stationghanpur | Sultanabad | Tadipatri | Tandur | Thorrur | Uppal | Uravakonda | Varni | Vempalli | Vemulavada | Vikarabad | Wanaparthy | Warangal | Yemmiganur | Zahirabad

UTHRAKAND: Agra | Aligarh | Badaun | Bijnor | Dehradun | Firozabad | Haldwani | Haridwar | Kashipur | Mainpuri | Mathura | Moradabad Ud | Muzaffernagar | Pilibhit-Ud | Rishikesh | Roorkee | Rudrapur | Saharanpur | Sambhal

UTTAR PRADESH: Allahabad | Ambedkar Nagar | Amethi | Anpara | Auraiya | Azamgarh | Badaun | Bahraich | Balia | Balrampur | Banda | Barabanki | Bareilly | Bareilly | Bhadohi | Chandauli | Chitrakoot | Chopan | Deoria | Etah | Etawah | Faizabad | Farukhabad | Fatehpur | Gazipur | Gonda | Gorakhpur | Hardoi | Jaunpur | Jhansi | Kadipur | Kannauj | Kanpur | Kaushambi | Khaga | Kunda | Lakhimpur | Lakhimpur Kheri | Lalganj | Lalitpur | Lucknow | Mahoba | Malhiabad | Mau | Mauaima | Mirzapur | Moradabad | Narayanpur | Orai | Phoolpur | Pilibhit | Pratapgarh | Rae Bareilly | Ramabai Nagar | Rampur Up | Rath | Renukoot | Robertsganj | Shahjahanpur | Shankargharh | Siddharthnagar | Sitapur | Sonebhadra | Sulthanpur | Unchahar | Unnao | Varanasi

Hinduja Leyland Finance Limited

REGISTERED OFFICE

No: 1, Sardar Patel Road, Guindy, Chennai - 600 032.

CORPORATE OFFICE

No: 27-A, Developed Industrial Estate, Guindy, Chennai - 600032.

Tel: 044-2242 7555 | Fax: 0444-2242 7553

Investor Relation: investorrelations@hindujaleylandfinance.com

www.hindujaleylandfinance.com