HINDUJA LEYLAND FINANCE

November 19, 2021

Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400 001

Dear Sir / Madam,

Sub: <u>Annual Report for the financial year ended March 31, 2021</u>

We are submitting herewith the Annual Report of the Company for the financial year ended March 31, 2021.

Kindly take the above information on record.

Thanking you,

Yours truly,

For Hinduja Leyland Finance Limited

B Shanmugasundaram
Company Secretary

Encl.: As above

"ALWAYS COMMITTED TO HELP YOU, GROW AND SUSTAIN"

ANNUAL REPORT

2020 - 2021

HINDUJA LEYLAND FINANCE

Lending... a helping hand

CORPORATE INFORMATION

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*
Mr. Debabrata Sarkar, *Independent Director*
Prof. Dr. Andreas H Biagosch, *Independent Director*
Ms. Manju Agarwal, *Independent Director*
Mr. G S Sundararajan, *Independent Director*
Ms. Bhumika Batra, *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 OFFICE

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

CORPORATE IDENTITY NUMBER

U65993TN2008PLC069837

EMAIL & WEBSITE

compliance@hindujaleylandfinance.com
www.hindujaleylandfinance.com

STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells
Chartered Accountants
ASV N Ramana Tower, 52, Venkatnarayana Road,
T. Nagar, Chennai - 600 017.

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

Axis Bank
Bank of Baroda
Bank of India
Bank of Maharashtra
Canara Bank
Central Bank of India
Citibank
DCB Bank
Deutsche Bank
Federal Bank
HDFC Bank
ICICI Bank Limited
Indian Bank
Karnataka Bank
Kotak Mahindra Bank
Punjab National Bank
South Indian Bank
Standard Chartered Bank
State Bank of India
UCO Bank
Ujjivan Small Finance Bank
Union Bank of India

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BOARD'S REPORT

Your Directors have pleasure in presenting the Thirteenth Annual Report of the Company, together with the audited financial statements of the Company, for the year ended 31st March, 2021:

Financial Results

INR in Crore

Particulars	2020-21	2019-20
Revenue from Operations	2,774.82	2,927.48
Less: Total Expenditure	2,423.27	2,488.45
Profit before exceptional items and tax	351.55	439.03
Exceptional Items	-	-
Profit Before Tax	351.55	439.03
Profit After Tax	270.13	291.97
Surplus / Shortfall brought forward	1,061.78	828.20
Amount available for appropriation	1,331.91	1,120.17
Appropriations have been made as under:		
Transfer to: - Statutory Reserve	54.03	58.39

Company Performance

Your Company's net profit stood at Rs 270 Crores in a Covid affected year, over the previous year net profit at Rs 292 Crores and net worth of the Company stood at Rs 3,825 Crores as of 31st March, 2021. Assets under management were at Rs 27,294 Crores as against Rs 26,451 Crores in FY 2019-20, registering a growth of 3%. During the year, your Company registered disbursements of Rs 9,010 Crores (Previous year at Rs 13,565 Crores). Standard assets constituted 96% of the total assets under management. Non-performing assets after provisioning stood at 2.0%.

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

In view of the Covid-19 pandemic the Company enabled work from home for its employees allowing them to work at almost full capacity. Additionally, the Company's digital capabilities and preparedness enabled it to perform various activities like customer onboarding and pre/post disbursement and collection processes.

Resource Mobilization

Total Borrowings

Your Company's overall borrowings as on 31st March, 2021 was Rs 17,403 Crores as against Rs 16,987 Crores as of 31st March, 2020.

Term Loans

During the year, your Company availed term loan facilities of Rs 5,324 Crores (gross) and Rs 136 Crores (net) from banks.

Non-Convertible Debentures

During the year, your Company raised Rs 1,205 Crores of Secured 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, 2021.

Commercial Paper

During the year, your Company raised Rs 300 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, 2021. 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 raised Rs 225 Crores through issue of long-term unsecured non-convertible subordinated debentures.

Capital Adequacy Ratio

Capital adequacy ratio was at 17.47% as at 31st March, 2021, as against statutory requirement of 15% for non-deposit accepting NBFC's.

Credit Ratings

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

Share Capital

During the year under review, your Company had allotted 30,000 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 Reserves

During the year, Rs 54.03 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

Being an NBFC, the disclosures regarding particulars of loans given, guarantees given and security provided is exempted under the provisions of section 186(11) of the Act.

With respect to investments made by the company, the details of the same are provided under note no.8 to the Financial Statements.

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

Ms. Bhumika Batra (DIN:03502004) was appointed as the Additional Director (Non-Executive Independent) with elect from 4th November, 2020. Further, shareholders' approval was obtained at the Extra-Ordinary General Meeting held on 8th December, 2020 for her appointment as an Independent Director of the Company for a period of five years.

Re-appointment

Mr. Gopal Mahadevan (DIN: 01746102), Non-Executive Director retiring by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. Your Board of Directors have recommended re-appointment of Mr. Gopal Mahadevan (DIN: 01746102) at their Meeting held on 3rd June, 2021.

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 117366W/W – 100018) were appointed as the Statutory Auditors of the Company, for a period of five years at the Annual General Meeting of the Company held on 4th July, 2019.

The Auditors' Report of M/s. Deloitte Haskins & Sells, Chartered Accountant for FY 2020-21 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 Section 204 of the Companies Act, 2013 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 2020-21. 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 49,05,000 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 disclosures pertaining to ESOP as on 31st March, 2021 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 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, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures.

b) for the financial year ended 31st March, 2021, 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, 2021.

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 electively.

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 electively.

Extract of Annual Return

Pursuant to the provisions of Section 92(3) read with section 134(3) of the Act, the Annual Return as on 31st March, 2021 is available on the Company's website on www.hindujaleylandfinance.com - Investor Zone-Annual Return

Number of meetings of the Board

The Board met 6 (Six) 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 the said policy 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 2020-21 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 38 of the notes forming part of the 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, 2021) and the date of the Report (3rd June, 2021).

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 electiveness 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 electiveness 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 pursuant to The Companies (Amendment) Act, 2020 and rules made thereunder it was amended further at the Board meeting held on 3rd June, 2021 CSR 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 Board's report, enclosed as an Annexure to this report (**Annexure H**).

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 are 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 2020-21, 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, 2021.

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. 38.95 lakhs (previous year Rs 41.00 lakhs).

Management Discussion and Analysis

The financial year 2020-21 saw a different set of problems as the world faced the novel Coronavirus. The automobile industry contracted as a whole during the year.

While the overall Commercial Vehicles (CV) industry fell 20%, the Small Commercial Vehicles (SCV) segment performed best. It de-grew by (12%) followed by the Light Commercial Vehicles (LCV) segment at (17%) and the Medium & Heavy Commercial Vehicles (M&HCV) segment at (21%). The Bus segment had the steepest fall of (78%) as Covid impacted passenger transportation across India.

The SCV segment recovered first. However, it struggled in January 2021 & February 2021 due to supply issues before recovering in March 2021. The LCV segment and the M&HCV segment both performed consistently above last year from September2020 onwards and posted their best sales in the month of March 2021. Passenger segment though struggled all year, it recovered slightly in March 2021 to finish the year on a positive note. In summary, all segments finished the year on a strong note in March 2021.

The domestic wholesales of two-wheelers declined 13.19% year-on-year during the Coronavirus pandemic-hit Financial Year 2020-21. The Year over Year (YoY) decline in the two-wheeler wholesales, however, was sharper at 18% in Financial Year 2019-20 on the back of liquidity crunch, rising vehicle prices and an overall economic slowdown. Notably, the two-wheeler industry has seen its domestic wholesale volumes slide from a peak of over 21 million units, losing more than 6 million units over the last two financial years alone. Scooters, which contributed more than one-third of the overall two-wheeler sales in India until 2 years ago, recorded a share of less than 30% during Financial Year 2020-21. The demand for entry-level segment continues to face headwinds as it recorded a decline of 15% YoY in annual volumes in 100-110cc bike category. It signifies tremendous lack of economic stability in the market.

The Indian tractor industry reported a 26% growth in domestic sales. The overall growth of tractor sales in Financial Year 2020-21 is ever highest in the decade, pandemic comes as the biggest opportunity for India's Tractor Industry. Tractor demand is expected to remain strong as rabi harvesting is progressing well along with the onset of sowing of summer crops in select markets.

The Loan Against Property (LAP) - Post the 1st wave, activities of customers in MSME/LAP segment resumed and the revival was ably supported by Government stimulus package like Emergency Credit Line Guarantee Scheme (ECLGS) etc. This help in improvement of collection efficiencies. However, with the sudden outbreak of 2nd wave, recovery and growth are likely to happen only in fiscal 2021-22 of around 4-5% as most Financers are risk averse.

As Covid cases continue to rise, the outlook for 2021-22 will remain dynamic and unpredictable. While the CV industry sales in March 2021 were the best for the last financial year, a bevy of factors will determine the performance of the industry in 2021-22:

1. ***Containing Covid:*** Covid cases continue to surge across India in the second wave. The effectiveness of Covid containment strategy will directly impact the

performance of the CV sector. This will also impact the driver's confidence level who travel across locations and keep goods moving.

2. ***State level restrictions:*** As more states impose restrictions, confusion gets created for interstate goods movement and since a large number of CVs operate across multiple states, this will impact their viability.
3. ***Fuel prices:*** Operators continue to be challenged by high fuel prices. The rise in freight rates generally lagged the rise in Diesel prices. This impacts viability of BS6 trucks which are 20% to 30% more expensive than BS4 variants and in turn impacts new truck sales.
4. ***Public transport:*** The bus segment was worst effected in Financial Year 2020-21. With cases rising and people continuing to lean towards private transportation, work from home or staying at home, public transportation (buses, staff buses, school buses, share auto rickshaws) will continue to face challenges and will not be operational without widespread vaccination.
5. ***New vehicle supplies:*** Original Equipment Manufacturers (OEMs) continue to face supply shortages of critical components using semi-conductors. SCV segment was impacted the most and is expected to impact supplies until 2nd quarter of Financial Year 2021-22. OEMs will also be impacted by shortened operations due to outbreaks of the virus in their plants effecting productivity.
6. ***Rising costs:*** OEMs are also battling rising costs of commodities. Steel prices have increased by around 50% compared to last year. OEMs anticipate further price increases in the coming quarters due to demand supply mismatch. Rising cost makes viability of CVs a major issue till the time freight rates rise to match higher costs.

The prospects for both the Indian Economy and CV industry are closely linked to the timely control and containment of Covid. Accelerated vaccination of the public, maintaining social distancing and wearing masks at all times will help us control the virus spread.

We are confident that the Industry will rise to the challenge and are also optimistic about the turnaround of the CV industry in 2021-22 despite the challenging circumstances this year. This is based on the continued focus by the Government on Infrastructure and Roads and the improved demand outlook from 2nd quarter of Financial Year 2021-22 onwards, which should provide a strong base for growth in 2021-22.

Maintenance of Cost Records

The Company is not required to maintain cost records in terms of Section 148(1) of the Companies Act, 2013.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year

There is no application made or pending against the Company under the Insolvency and Bankruptcy Code, 2016.

Acknowledgement

Your Directors wish to place on record their appreciation for the whole-hearted support 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: London
Date: 3rd June, 2021

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	21,500 (21,50,00,000 Equity Shares of Rs.10/- each)
5	Reserves & surplus	13,839.56
6	Total assets	2,53,355.27
7	Total Liabilities	2,53,355.27
8	Investments	4,388.17
9	Turnover	27,847.27
10	Profit before taxation	8,070.81
11	Provision for taxation	1,833.87
12	Profit after taxation	6,236.94
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, 2021
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 45.90% 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	357.41
7	Profit/(Loss)for the year	199.35
8	i. Considered in Consolidation	199.35
9	ii. Not Considered in Consolidation	-

Notes:

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 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: London
Date: 3rd June, 2021

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, 2021, your Company's Board consists of 11 (Eleven) 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 and Chief Executive Officer
Mr. Gopal Mahadevan	Non-Executive	Director
Mr. Sudhanshu Tripathi	Non-Executive	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
Ms. Bhumika Batra *	Non-Executive	Independent Director

*Appointed w.e.f. 4th November, 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 6 (Six) times on the following dates:

FY 2020-21	Meeting date
April 2020 – June 2020 (Q1)	20th June, 2020
July 2020 – September 2020 (Q2)	13th July, 2020 and 10th August, 2020
October 2020 – December 2020 (Q3)	4th November, 2020 and 30th December, 2020
January 2021 – March 2021 (Q4)	4th February, 2021

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 2020-21 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	6/6	0/1
Mr. S Nagarajan	6/6	1/1
Mr. Sachin Pillai	6/6	1/1
Mr. Gopal Mahadevan	6/6	0/1
Mr. Sudhanshu Tripathi	6/6	0/1
Mr. G S Sundararajan	6/6	0/1
Mr. R S Sharma	6/6	0/1
Ms. Manju Agarwal	6/6	0/1
Mr. D Sarkar	6/6	0/1
Prof. Dr. Andreas H Biagosch	6/6	0/1
Ms. Bhumika Batra*	3/3	0/1

*Appointed w.e.f. 4th November, 2020.

Separate meetings of the Independent Directors

A Separate Meeting of Independent Directors was held on 20th June, 2020, 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 Whole-time Director 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.

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

Name	Positions held	No. of meetings attended / eligible	Meeting dates
Mr. G S Sundararajan	Chairman	4/4	19th June, 2020; 10th August, 2020; 03rd November, 2020; 04th February, 2021
Mr. D Sarkar	Member	4/4	19th June, 2020; 10th August, 2020; 03rd November, 2020; 04th February, 2021
Ms. Manju Agarwal	Member	4/4	19th June, 2020; 10th August, 2020; 03rd November, 2020; 04th February, 2021
Mr. Gopal Mahadevan	Member	4/4	19th June, 2020; 10th August, 2020; 03rd November, 2020; 04th February, 2021
Mr. R S Sharma	Member	4/4	19th June, 2020; 10th August, 2020; 03rd November, 2020; 04th February, 2021

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 covers the 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	2/2	20th June, 2020; 29th October, 2020
Mr. Dheeraj G Hinduja	Member	2/2	20th June, 2020; 29th October, 2020
Mr. D Sarkar	Member	2/2	20th June, 2020; 29th October, 2020
Mr. Sudhanshu Tripathi	Member	2/2	20th June, 2020; 29th October, 2020

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	20th June, 2020; 04th November, 2020
Mr. S Nagarajan	Member	2/2	20th June, 2020; 04th November, 2020
Mr. Sudhanshu Tripathi	Member	2/2	20th June, 2020; 04th November, 2020

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	20th June, 2020; 04th November, 2020
Mr. S Nagarajan	Member	2/2	20th June, 2020; 04th November, 2020
Mr. Sudhanshu Tripathi	Member	2/2	20th June, 2020; 04th November, 2020
Dr. Andreas Biagosch	Member	2/2	20th June, 2020; 04th November, 2020

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	19th June, 2020; 03rd November, 2020; 03rd February, 2021
Mr. S Nagarajan	Member	3/3	19th June, 2020; 03rd November, 2020; 03rd February, 2021
Mr. R S Sharma	Member	3/3	19th June, 2020; 03rd November, 2020; 03rd February, 2021
Dr. Andreas H Biagosch	Member	3/3	19th June, 2020; 03rd November, 2020; 03rd February, 2021
Mr. Gopal Mahadevan*	Member	2/2	03rd November, 2020; 03rd February, 2021

*Appointed as a member of the Committee w.e.f. 3rd November, 2020.

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	2/2	19th June, 2020; 03rd November, 2020
Mr. Gopal Mahadevan	Member	2/2	19th June, 2020; 03rd November, 2020

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 and Mr. S Nagarajan, Member

No Capital Raising Committee Meetings were held during the year 2020-21.

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.

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	7/7	12th May, 2020, 20th June, 2020; 29th July, 2020; 26th September, 2020; 04th November, 2020; 21st December, 2020; 28th January, 2021
Mr. G S Sundararajan	Member	7/7	12th May, 2020, 20th June, 2020; 29th July, 2020; 26th September, 2020; 04th November, 2020; 21st December, 2020; 28th January, 2021
Mr. S Nagarajan	Member	7/7	12th May, 2020, 20th June, 2020; 29th July, 2020; 26th September, 2020; 04th November, 2020; 21st December, 2020; 28th January, 2021
Mr. Gopal Mahadevan	Member	7/7	12th May, 2020, 20th June, 2020; 29th July, 2020; 26th September, 2020; 04th November, 2020; 21st December, 2020; 28th January, 2021

IT Strategy Committee

The IT Strategy Committee was constituted by the Board of Directors at their meeting held on 05th 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	2/2	08th August, 2020; 04th November, 2020
Mr. S Nagarajan	Member	2/2	08th August, 2020; 04th November, 2020
Mr. Sethumurugan Head – IT	Member	2/2	08th August, 2020; 04th November, 2020

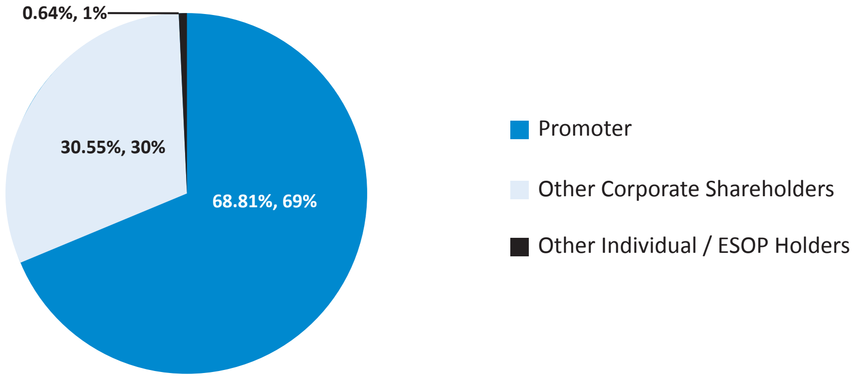
Related Party Transaction

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 and in the ordinary course of business.

Distribution of shareholding as on 31st March 2021

No. of Equity Shares held	Total Shareholders	Total Shares	Total % to the Capital
Upto 500	3	160	0.00
501 to 1000	0	-	0.00
1001 to 5000	9	30,087	0.01
5001 to 10000	8	62,671	0.01
10001 to 50000	7	1,43,142	0.03
50001 to 100000	7	4,32,404	0.09
100001 and above	7	46,91,14,026	99.86
Total	**41**	**46,97,82,490**	**100.00**

Shareholding Pattern as on 31st March, 2021



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 Board's Report 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 300 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, 2021. 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 in the last three years:

Financial Year	Date of Meeting	Time	Venue	Special Resolutions passed
2019-20	14th August, 2020	5.00 P.M.	No. 27 A, Developed Industrial Estate, Guindy 600 032.	1. Re-appointment of Mr. D Sarkar (DIN: 02502618) as an Independent Director for a second term of five consecutive years. 2. Revision in remuneration of Mr. Sachin Pillai, Managing Director and Chief Executive Officer. 3. Revision in remuneration to Mr. S. Nagarajan, Executive Vice Chairman.
2018-19	4th July, 2019	3.30 P.M.	No. 27 A, Developed Industrial Estate, Guindy 600 032.	1. Increase in Borrowings Power 2. Approval for Sale, mortgage or creation of Charge on the assets of the Company 3. Approval for Issue of Non-Convertible Debenture 4. Approval for Maintaining of Registers and returns at a place other than the Registered Office of the Company 5. Approval for re-appointment of Mr. R S Sharma for a further term of 5 years 6. Revision in Remuneration of Mr. S Nagarajan, Executive Vice Chairman
2017-18	26th July, 2018	3.30 P.M.	No. 27 A, Developed Industrial Estate, Guindy 600 032.	1. Payment of Commission to Directors 2. Amendment to Hinduja Stock Option Plan- 2013 (HSOP) 3. Appointment of Ms. Manju Agarwal, as Non-Executive Independent Director

Vigil Mechanism / Whistle Blower Policy

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

SEBI Complaints Redressal System (SCORES)

The Company is registered with SEBI Complaints Redressal 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 Listed Debentures / Commercial Papers. 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, 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 2020-21 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.

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.

Management Discussion and Analysis Report

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

Address for correspondence and any assistance or clarification

Mr. B Shanmugasundaram, Company Secretary is also 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,
Chennai – 600 032.
Email: compliance@hindujaleylandfinance.com

CEO / CFO CERTIFICATION

Mr. Sachin Pillai, Managing Director and 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 posted 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, 2021.

On behalf of the Board of Directors

Place: London
Date: 3rd June, 2021

Dheeraj G Hinduja
Chairman

CEO/CFO CERTIFICATION

To
The Board of Directors
Hinduja Leyland Finance Limited

a) We have reviewed financial statements for theyear ended 31st March, 2021 and that to the best of our knowledge and belief;

   i. These statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading;

   ii. These statements together present a true and fair view of the Company's affairs and are in the compliances with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2021 are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee that:

   i. There has not been any significant change in internal control over financial reporting during yearended 31st March, 2021;

   ii. There has not been any significant change in accounting policies during the year ended 31st March, 2021;

   iii. There have been no instances of significant fraud of which we have become aware and the involvement therein of themanagement or any employee having a significant role in the Company's internal control system over financial reporting.

Place : Chennai
Date : 3rd June, 2021

Sachin Pillai
Managing Director and Chief Executive Officer

Kishore Kumar Lodha
Chief Financial Officer

Annexure D

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[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, 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, 2021 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, 2021 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 ('SEBI LODR') 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 during the audit period under review;

1) The company has issued 15,000 equity shares of Rs 10/- each at a premium of Rs 18/- each and 15,000 equity shares of Rs 10/- each at premium of Rs 65/- each, both on 21st October, 2020 to its Equity Shareholders under Employee Stock Options Plan scheme of the Company.

2) The Company has transferred an amount of Rs. 2,68,53,645/- remaining unspent relating to ongoing projects, to a separate bank account on 30th April, 2021, as required under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

We further 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 for the purpose of issuing this secretarial audit report, we have conducted online verification & examination of certain records and documents, as facilitated by the Company, as we could not verify such details physically, in view of COVID-19 and subsequent lockdown restrictions imposed by the Government.

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

Place: Chennai
Date: 3rd June, 2021
UDIN:F009587C000409713

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

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,
M/s. 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 believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Where ever 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 the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Place: Chennai
Date: 3rd June, 2021
UDIN:F009587C000409713

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

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 and 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
Mr. Dheeraj GHinduja	11.36	7.86	14.53%
Mr. S Nagarajan	74.70	51.72	6.72%
Mr. R S Sharma	5.65	3.91	20.74%
Mr. D Sarkar	5.70	3.94	21.81%
Mr. Gopal Mahadevan	6.11	4.23	23.21%
Mr. G S Sundararajan	5.83	4.44	30.54%
Mr. S K Tripathi	4.67	3.23	11.20%
Ms. Manju Agarwal	6.34	4.39	16.11%
Prof. Dr. Andreas Biagosch	4.68	3.24	-8.93%
Mr. Sachin Pillai, Managing Director & Chief Executive Officer	59.94	41.50	14.20%
Ms. Bhumika Batra*	1.45	1.10	-
Mr. Kishore Kumar Lodha, Chief Financial Officer	22.21	15.37	18.90%
Mr. B Shanmugasundaram, Company Secretary	9.09	6.29	10.24%

*Appointed as an Independent Director with effect from 4th November, 2020.

Notes: The remuneration of non-executive for the financial year 2020-21 comprises the sitting fee paid for attending meetings of the board and committees thereof and Commission for FY 2020-21.

(iii) The percentage increase in the median remuneration of employees in the financial year – 4.3%

(iv) The number of permanent employees on the rolls of the Company – 1565

(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 2020-21 was 8.7%.
The average increase in the managerial remuneration for the year was 5%.

(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.

(viii) The statement containing top ten employees in terms ofremuneration drawn and particulars of employees as requiredunder Section 197(12) of the Act, read with Rule 5(2) of theCompanies (Appointment and Remuneration of ManagerialPersonnel) Rules, 2014, is provided in a separate annexureforming part of this report. Further, the report and the accountsare being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open forinspection by the Members at the Corporate Office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. Any Member interested in obtaining a copy of the said Annexure may write to the Company Secretary at the Registered Office 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	NIL
b	The pricing formula	NA
c	Options vested and exercisable	4,05,500 options
d	Options exercised	76,500 Options
e	The total no. of shares arising as a result of exercise of Options	76,500 Shares
f	Options lapsed/surrendered	55,500 options
g	Variation of terms of Options	NIL
H	Money realized by exercise of options during 2020-2021	INR 28,47,000
I	Total number of Options in force	12,19,000 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% of the issued capital of the company at the time of grant	Nil
K	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Ind AS-33	Rs 6.49
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
M	i) Weighted average exercise price of Options	Rs 81.79
	ii) Weighted average fair value of Options	As per note 34 forming part of the standalone financial statement.

S. No.	Nature of Disclosures	Particulars
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 34 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 Option grant	NA

On behalf of the Board of Directors

Place: London
Date: 3rd June, 2021

Dheeraj G Hinduja
Chairman

Annexure H

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2020-21

(i) CSR Policy of the Company

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.

(ii) Composition of CSR Committee

S. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1	Mr. Dheeraj G Hinduja – Chairman	Chairman	2	2
2	Mr. S. Nagarajan – Member	Executive Vice-Chairman	2	2
3	Mr. Sudhanshu Tripathi – Member	Non-Executive Director	2	2
4	Prof. Dr. Andreas Biagosch – Member	Independent Director	2	2

(iii) The Web-link: http://www.hindujaleylandfinance.com/documents/governance

(iv) Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014, if applicable: **Not Applicable**

(v) Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules 2014 and amount required to set off for the financial year, if any: **Nil**

(vi) Average Net Profit of the Company as per Section 135 (5): **Rs 37,955.66 Lakhs**

(vii) (a) Two percent of average net profit of the Company as per Section 135 (5): **Rs 760.00 Lakhs**
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial year - Nil
(c) Amount required to be set off for the financial year, if any – **Nil**
(d) Total CSR obligation for the financial year (7a+7b-7c): **Rs 760.00 Lakhs**

(viii) (a) CSR amount spent or unspent for the Financial Year (Rs. In Lakhs):

Total Amount Spent for the Financial Year	Amount unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provison to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
491.46	268.54	30.04.2021	Nil	Nil	Nil

(b) Details of CSR amount spent against **ongoing projects** for the financial year: (Rs. In Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
S. No.	**Name of the Project**	**Item from the list of Schedule VII to the Act.**	**Local area (Yes/No)**	**Location of the Project**	**Project duration (Months)**	**Amount allocated for the project**	**Amount spent in the current Financial Year**	**Amount transferred to Unspent CSR Account as per Section 135(6)**	**Mode of Implementation – Direct (Yes/No)**	**Mode of Implementation - Through Implementing Agency**
1	Road to School	Children Education	Yes	Sankagiri, Salem District, TN	60	559.81	346.30	213.51	No	Learning Links Foundation
2	Lake Restoration	Conservation of natural resources	Yes	Pattabiram Village Thiruvallur District, TN	4	78.61	23.58	55.03	No	Environmentalist Foundation of India
	Total					**638.42**	**369.88**	**268.54**		

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year (Rs. In lakhs):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
S. No.	**Name of the Project**	**Item from the list of activities Schedule VII to the Act.**	**Local area (Yes/No)**	**Location of the Project**	**Amount spent for the Project**	**Mode of Implementation Direct (Yes/No)**	**Mode of Implementation - Through Implementing Agency**	
							Name	**CSR Regn No.**
1	Road to School	Children Education	Yes	Sankagiri, Salem District, TN	9.28	No	Rhapsody Music Foundation	CSR00001026
2	Tamil Nadu Chief Minister’s Relief Fund allocated to Tamil Nadu State Disaster Management Authority utilized to combat spread of Covid-19.	Promotion of healthcare including preventive healthcare and sanitisation / Disaster Management	Yes	Whole Tamil Nadu	50.00	Yes	NA	NA
3	Watershed Project	Conservation of natural resources	No	Jawahar, Maharastra	45.60	No	Hinduja Foundation	CSR00002326
4	Ramakrishna Mission Students' Home	Children Education	Yes	Mylapore, Chennai. TN	6.45	No	Ramakrishna Mission Students' Home	CSR00006101
5	Single Teacher School	Children Education	Yes	Tamil Nadu	5.00	No	Swami Vivekananda Rural Development Society	CSR00001905
6	Lake Restoration	Conservation of natural resources	Yes	Thazambur Lake	5.25	No	Care Earth Trust	CSR00001173
				Total	**121.58**			

(d) Amount spent in Administrative Overheads **NIL**

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total Amount spent for the Financial Year (8b + 8c+8d +8e) **Rs 491.46 Lakhs**

(g) Excess amount for set off, if any

S. No.	Particulars	Amount (Rs. In Lakhs)
(i)	Two percent of average net profit of the Company as per Section 135(5)	**760.00**
(ii)	Total Amount spent for the Financial Year	**491.46**
(iii)	Excess amount spent for the Financial Year [(ii) – (i)]	**(268.54)**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year. if any.	**0**
(v)	Amount available for set off in succeeding years [(iii) – (iv)]	**(268.54)**

(ix) (a) Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding Financial Year	Amount transferred to unspent CSR Account under Section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any.			Amount remaining to be spent in succeeding financial year
				Name of the Fund	Amount	Date of transfer	
NOT APPLICABLE							

(b) Detail of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) (Rs. in lakhs)

S. No.	Project ID	Name of the Project	FY in which the project commenced	Project Duration (Months)	Total Amount allocated for the Project	Total Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the Project – Completed / Ongoing
1	Advit Foundation	Water Project	2019-20	-	38.96#	27.27	38.96	Completed
2	Care Earth Trust	Lake Restoration	2018-19	24	195.00	29.36	182.00	Completed

#Total Budget approved Rs 38.96 lakhs in FY 2019-20. Rs 11.69 lakhs paid in FY 2019-20 and balance Rs 27.27 lakhs paid in FY 2020-21.

(x) In case of creation of acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year
NOT APPLICABLE

(Asset wise details)

(a) Details of creation or acquisition of the capital asset: **Not Applicable**

(b) Amount of CSR spent for creation or acquisition of capital asset: **Not Applicable**

(c) Details of the entity or public authority or beneficiary under whose name such capital Asset is registered, their address if any:
Not Applicable

(d) Provide details of the capital assets created or acquired (including complete address and location of the capital asset):
Not Applicable

(xi) Specify the reasons, if the company has failed to spend two per cent of the average net profit as per Section 135(5)

The unspent amount on identified projects amounting to Rs 268.54 Lakhs pertains to ongoing CSR Projects as indicated in clause (viii). Hence, such unspent amount has been transferred to unspent CSR account and will be spent on the ongoing projects.

Place: Chennai / London
Date: 3rd June, 2021

Sachin Pillai
Managing Director and Chief Executive Officer

Dheeraj G Hinduja
Chairman - CSR Committee

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 Remunerations

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 would be as per the provisions of the Companies Act, 2013 and Rules made thereunder and be renewed from time to time as may be determined by the Board / Members as the case may be. 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: London
Date: 3rd June, 2021

Dheeraj G Hinduja
Chairman

Standalone Financial Statements

INDEPENDENT AUDITORS' 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, 2021, 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, 2021, 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 47 to the standalone financial statements which describes the potential impact of the COVID-19 pandemic on the Company's standalone financial statements and particularly the impairment provisions which 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 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

Key Audit Matters	Auditor's Response
1. Impairment of Financial Assets Management estimates impairment provision using Expected Credit loss (ECL) model for the loan exposure. Recognition and measurement of impairment of loans involve significant management judgement. The Company's impairment allowance is derived from estimates including the historical default and loss ratios. Collective impairment allowances are calculated using ECL model which approximate credit conditions on homogenous portfolios of loans.	**Principal audit procedures performed:** Our audit procedures in relation to expected credit losses were focused on obtaining sufficient appropriate audit evidence as to whether the expected credit losses recognised in the financial statements were reasonable and the related disclosures in the financial statements made by the management were adequate. These procedures included, but not limited, to the following: • We examined Board Policy approving the methodology for computation of ECL that address policies, procedures and

Key Audit Matters	Auditor's Response
During the year, the Company has made additional provisions after evaluating the extent to which COVID-19 pandemic may impact its overall operations and performance. Given the uncertainty over the future economic conditions, these additional provisions also involve significant management estimates / judgements. Further, the disclosures made in the financial statements for ECL especially in relation to judgements and estimates by the Management in determination of the ECL involve increased level of audit focus. The aforesaid involves significant management estimates / judgements and hence identified as Key Audit Matter.	controls for assessing and measuring credit risk on all lending exposures, commensurate with the size, complexity and risk profile specific to the Company. • We obtained an understanding of the model adopted by the Company for calculation of expected credit losses including how management calculated the expected credit losses and the appropriateness of the data on which the calculation is based and tested the management controls for it. • We evaluated the design and operating effectiveness of controls across the processes relevant to ECL. These controls, among others, included controls over the allocation of assets into stages including management's monitoring of model validation and production of journal entries and disclosures. • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of 31st March, 2021 by reconciling it with the balances as per loan balance register and loan commitment report as on that date. • 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. • 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.
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.	Our audit procedures in relation to fair valuation of financial instruments were focused on obtaining sufficient appropriate audit evidence as to whether the fair valuation of financial instruments recognised in the financial statements were reasonable and the related disclosures in the standalone financial statements made by the management were adequate. These procedures included, but not limited, to the following: • Obtain an understanding of the fair valuation methodology and • Testing the design and operating effectiveness of controls over (1) the management's methodology for determining Fair Value, including consideration of the current and estimated future economic conditions (2) the completeness and accuracy of information used in determining Fair Value.

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 standalone 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.

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 standalone 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 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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: 21109839AAAAGU1863

Place : Mumbai
Date : 3rd June, 2021

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, 2021 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 (the "Guidance Note"). 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 Act.

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 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 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 2021, 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.

for **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

G.K.Subramaniam
Partner
(Membership No. 109839)
UDIN: 21109839AAAAGU1863

Place : Mumbai
Date : 3rd June, 2021

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 Act.

(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 Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) To the best of our knowledge and according to the information and explanations given to us, the Company has not accepted any deposit during the year and no order in this respect has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunals in regard to the Company.

(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 generally been regular in depositing undisputed statutory dues, including Provident fund, Employees' State Insurance, Income-tax, Goods and Services Tax and applicable cess 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 and applicable cess in arrears as at 31st March, 2021 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, 2021 on account of disputes are given below.

INR in Lakhs

Name of Statute	Nature of Dues	Forum where the dispute is pending	Period to which amount relates	Amount Involved	Amount unpaid
Rajasthan VAT Act, 2003	Value Added Tax	High Court of Judicature at Rajasthan	2011-12 to 2014-15	40.57	40.57
Odisha VAT Act, 2004	Value Added Tax	High Court of Judicature at Orissa	2012 - 13	0.39	0.39
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax	High Court of Judicature at Hyderabad	2011 - 12	17.55	17.55
Karnataka VAT Act, 2003	Value Added Tax	High Court of Judicature at Bangalore, Karnataka	2012-13 to 2016-17	121.16	121.16

(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). Further, in respect of moneys borrowed through term loans or debt securities, in our opinion and according to information and explanation given to us, the Company has utilised the money for the purpose for which they were borrowed, other than temporary deployment pending application of proceeds.

(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 Act.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 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 177 and 188 of the Act, 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 Act, 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-IA 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: 21109839AAAAGU1863

Place : Mumbai
Date : 3rd June, 2021

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Standalone Balance Sheet as at 31st March, 2021

INR in Lakhs

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
ASSETS			
Financial assets			
Cash and cash equivalents	5	80,838	82,879
Bank balance other than cash and cash equivalents	6	5,585	14,610
Loans	7	19,25,150	18,24,156
Investments	8	98,707	77,684
Other financial assets	9	59,436	58,880
		21,69,716	**20,58,209**
Non-financial assets			
Current tax assets (net)		5,639	7,130
Property, plant and equipment	10	8,429	4,969
Capital work-in-progress		38	116
Other intangible assets	10A	72	59
Right of use assets	10B	2,632	2,650
Other non-financial assets	11	5,736	2,929
		22,546	**17,853**
Total Assets		**21,92,262**	**20,76,062**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
Trade payables	12		
(i) dues of micro enterprises and small enterprises		-	-
(ii) dues other than micro enterprises and small enterprises		-	-
(II) Other payables			
(i) dues of micro enterprises and small enterprises		-	-
(ii) dues other than micro enterprises and small enterprises		1,722	1,957
Debt securities	13	1,31,803	88,300
Borrowings (other than debt securities)	14	14,73,354	14,78,793
Deposits	15	162	162
Subordinated liabilities	16	1,35,163	1,31,588
Other financial liabilities	17	44,889	42,171
		17,87,093	**17,42,971**
Non-financial liabilities			
Current tax liabilities (net)		-	-
Provisions	18	386	291
Deferred tax liabilities (net)	32	21,705	7,722
Other non-financial liabilities	19	557	443
		22,648	**8,456**
EQUITY			
Equity share capital	20	46,978	46,975
Other equity	21	3,35,543	2,77,660
		3,82,521	**3,24,635**
Total Liabilities and Equity		**21,92,262**	**20,76,062**

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

G.K.Subramaniam
Partner

Place : Mumbai
Date : 3rd June, 2021

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 / London
Date : 3rd June, 2021

Standalone Statement of Profit and Loss for the year ended 31st March, 2021

INR in Lakhs

Particulars	Note No.	Year ended 31st March 2021	Year ended 31st March 2020
Revenue from operations			
Interest income	22	2,49,277	2,67,866
Fees and commission income	23	3,747	5,315
Net gain on fair value changes		3,542	-
Net gain on derecognition of financial instruments	24	18,716	18,751
Total revenue from operations		**2,75,282**	**2,91,932**
Other income	25	2,200	816
Total revenue		**2,77,482**	**2,92,748**
Other income (II)		-	-
Total Income [III = (I+II)]		**2,77,482**	**2,92,748**
Expenses			
Finance costs	26	1,42,693	1,55,397
Fees and commission expense	27	3,778	8,722
Impairment on financial assets	28	73,609	61,687
Employee benefits expenses	29	13,977	13,083
Depreciation and amortization	30	1,859	1,052
Others expenses	31	6,411	8,904
Total expenses		**2,42,327**	**2,48,845**
Profit before tax		**35,155**	**43,903**
Tax expense:			
Current tax		10,868	11,157
Deferred tax	32	(2,103)	3,549
Tax pertaining to earlier years		(623)	-
Total Taxes		**8,142**	**14,706**
Net profit for the year		**27,013**	**29,197**
Other comprehensive income			
(A) (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(33)	(76)
(ii) Income tax relating to items that will not be reclassified to profit or loss		11	(70)
(B) (i) Items that will be reclassified to profit or loss			
(i) Fair value (loss)/gain on financial assets carried at Fair Value Through Other Comprehensive Income (FVTOCI)		40,818	26,482
(ii) Income tax relating to items that will be reclassified to profit or loss		(10,274)	(3,326)
Total other comprehensive income		**30,522**	**23,010**
Total comprehensive income		**57,535**	**52,207**
Earnings per equity share (face value Rs.10 each)	33		
- Basic (in Rs.)		5.75	6.22
- Diluted (in Rs.)		5.75	6.21

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

G.K.Subramaniam
Partner

Place : Mumbai
Date : 3rd June, 2021

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 / London
Date : 3rd June, 2021

Cash Flow Statement for the year ended 31st March, 2021

INR in Lakhs

Particulars	Note No.	Year ended 31st March 2021	Year ended 31st March 2020
A. Cash flow from operating activities			
Net profit before tax		**35,155**	**43,903**
Adjustments for:			
Depreciation and amortization		1,859	1,052
Net gain / loss on fair value changes		-	-
Provision for employee benefits		62	(2)
Provision for expected credit loss and amounts written off		70,618	55,502
Impairment loss on other receivables		2,991	2,151
Share based payment expense		336	-
Amortisation of discount on commercial papers		307	7,788
Amortisation of ancillary costs relating to borrowings		1,831	2,168
Operating cash flow before working capital changes		**1,13,159**	**1,12,562**
Adjustments for (Increase) / Decrease in operating assets:			
Other receivables		(2,991)	(9,060)
Loans		(1,30,794)	(1,11,046)
Other non- financial assets		(2,807)	(1,372)
Other financial assets		(556)	46,327
Adjustments for Increase / (Decrease) in operating liabilities:			
Trade payables		(235)	1,643
Other financial liabilities		2,718	(2,693)
Other non financial liabilities		114	(199)
Net cash (used in)/generated from operations		**(21,392)**	**36,162**
Taxes paid (net)		(2,931)	(11,073)
Net cash (used in)/generated from operating activities (A)		**(24,323)**	**25,089**
B. Cash flow from investing activities			
Investment in pass through securities (net)		(18,891)	24,146
Investment in redeemable non-convertible debentures (net)		368	32,040
Investment in equity shares of subsidiary company		(2,500)	(4,000)
Bank deposits (having original maturity of more than three months)		9,025	(2,770)
Purchase of fixed assets including capital work-in-progress		(5,236)	(3,915)
Net cash (used in) investing activities (B)		**(17,234)**	**45,501**
C. Cash flow from financing activities			
Proceeds from issue of equity shares including securities premium (net)		15	44
Proceeds from borrowings		6,16,408	4,79,800
Repayments of borrowings		(6,14,697)	(4,93,957)
Proceeds from working capital loan / cash credit and commercial paper (net)		37,790	2,175
Net cash from financing activities (C)		**39,516**	**(11,938)**
Net increase in cash and cash equivalents (A+B+C)		(2,041)	58,652
Cash and cash equivalents at the beginning of the year		**82,879**	**24,227**
Cash and cash equivalents at the end of the year		**80,838**	**82,879**

INR in Lakhs

Particulars	Note No.	Year ended 31st March 2021	Year ended 31st March 2020
Components of cash and cash equivalents	**5**		
Cash and cheques on hand		27,413	5,981
Balances with banks		53,425	76,898
- In deposit accounts with original maturity less than three months		-	-
		80,838	**82,879**
Operational cash flows from interest and dividends			
Interest paid		1,44,792	1,59,686
Interest received		4,311	11,982

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

G.K.Subramaniam
Partner

Place : Mumbai
Date : 3rd June, 2021

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

Dheeraj G Hinduja
Chairman
DIN No : 00133410

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Executive Vice Chairman
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Managing Director & CEO
DIN No : 06400793

Kishore Kumar Lodha
Chief Financial Officer

B Shanmugasundaram
Company Secretary
Membership No: F5949

Place : Chennai / London
Date : 3rd June, 2021

Statement of changes in equity for the year ended 31st March, 2021

INR in Lakhs

Particulars	Number of shares	Amount
A. Equity share capital		
For the period from 1st April, 2017 to 31st March, 2019		
Balance as at 1st April, 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**
Change in equity share capital during the year		
Add: Issued during the year	30,000	3
Balance as at 31st March, 2021	**46,97,82,490**	**46,978**

	Reserves and Surplus				Other items of other comprehensive income	Total
	Statutory reserve u/s 45-IC of The Reserve Bank of India Act, 1934	Securities premium	Other reserves - Employee stock option outstanding account	Retained earnings		
B. Other equity						
Balance as at 1st April, 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**	**277,660**
Share based expenses	-	-	336	-	-	336
Premium on issue of share capital	-	12	-	-	-	12
Profit for the year	-	-	-	27,013	-	27,013
Transfer to / from reserve	5,403	397	(397)	(5,403)	-	-
Other comprehensive income (net of tax)	-	-	-	-	30,522	30,522
Balance as at 31st March, 2021	**34,658**	**96,656**	**232**	**1,27,788**	**76,209**	**3,35,543**

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

G.K.Subramaniam
Partner

Place : Mumbai
Date : 3rd June, 2021

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

Dheeraj G Hinduja
Chairman
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DIN No : 06400793

Kishore Kumar Lodha
Chief Financial Officer

B Shanmugasundaram
Company Secretary
Membership No: F5949

Place : Chennai / London
Date : 3rd June, 2021

Notes to standalone financial statements for the year ended 31st March, 2021

(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 standalone financial statements ("the financial statements") have been prepared under historical cost convention on an accrual basis 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 lakh, unless otherwise indicated.

2.4 Basis of measurement

The financial statements have been prepared on historical cost basis except for certain financial instruments that are measured at fair values.

A historical cost is a measure of value used in accounting in which the price of an asset on the balance sheet is based on its nominal or original cost when acquired by the Company.

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 if 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 Share based Payment, leasing transactions that are within the scope of Ind AS 116 Leases.

Fair value measurements under Ind AS are categorised into fair value hierarchy 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 quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access on measurement date.

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

• Level 3 where unobservable inputs are used for the valuation of assets or liabilities.

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with Indian Accounting Standards (“Ind AS”) requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognised prospectively. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

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 or fair value through profit and loss 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) 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 macro economic 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 macro economic scenarios and their probability weightings, to derive the economic inputs into ECL models.

iii) 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.

iv) Income Taxes

The Company's tax jurisdiction is in India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for certain tax positions.

v) Defined Benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

3. Significant accounting policies

3.1 Recognition of Income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

A. Interest income

Interest income on financial instruments is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate applicable.

Effective Interest Rate ("EIR")

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts.

Interest income/expenses is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets/liabilities (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses). If the financial asset cures and is no longer credit impaired, the Company reverts to calculating interest income on a gross basis.

B. Dividend income

Dividend income 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.

C. 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.

D. Fees and commission income

The Company recognises revenue from contract with customers based on five step model as set out in Ind AS 115, Revenue from Contracts with Customers to determine when to recognise revenue and at what amount.

Revenue is measured based on the consideration specified in the contract with customers. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

E. Income from transfer and servicing of Assets

The Company transfers loans through securitisation and direct assignment transactions. The transferred loans are de-recognised and gains/losses are accounted for, only if the Company transfers substantially all risks and rewards specified in the underlying assigned loan contract. In accordance with the Ind AS 109, on de-recognition of a financial asset under assigned transactions, the difference between the carrying amount and the consideration received are recognised in the Statement of Profit and Loss.

The Company recognises either a servicing asset or a servicing liability for servicing contract. If the fee to be received is not expected to compensate the Company adequately for performing the servicing activities, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing activities, a servicing asset is recognised. Corresponding amount is recognised in Statement of Profit and Loss.

F. Other income

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

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 (AC)

ii) Fair value through other comprehensive income (FVOCI)

iii) Fair value through profit or loss (FVTPL)

3.3 Financial assets and liabilities (continued)
Solely payments of principal and interest (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

A. Financial assets

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

Investments in Subsidiary and Associate are measured at cost as per Ind AS 27 – Separate Financial Statements.

v) Financial assets: Subsequent measurement and gains and losses

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

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in statement of profit or loss.

b) Financial assets carried at amortised cost (AC)

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment lossed. Interest income, foreign exchange gains and losses and impairment are recognized in statement of profit and loss. Any gains and losses on derecognition is recognized in statement of profit and loss.

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, 2021 and 31st March, 2020.

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 expired. Where an existing financial liability is replaced or expired 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 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 Life Time ECLs (LTECL) 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:

Exposure at Default (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, whether scheduled by contract or otherwise, expected drawdowns on committed facilities after considering the credit conversion factor (for Stage 1 and Stage 2 assets), and accrued interest from missed payments.

Probability of Default (PD)

Probability of Default (PD) is the probability of whether borrowers will default on their obligations which is calculated based on historical default rate summary of past years using origination vintage analysis.

Loss Given Default (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 EAD, PD 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 EAD, PDs 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 (if financial asset is more than 30 days but upto 90 days past due), 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 gain/loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

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

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities could result in impairment gains.

3.9 Fair value

i) Fair value hierarchy

The Company uses the following hierarchy to determine the fair values of its financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There were no transfers between levels 1, 2 and 3 during the year.

The Company recognises transfers in and transfers out of fair value hierarchy levels as at the end of the reporting period.

ii) Valuation process

The management of the Company performs the valuations of financial assets and liabilities required for financial reporting purposes.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Valuation processes and Technique

Type of Instrument	Reference Price
Investment in Mutual Funds	NAV as on the reporting date.
Investment in Equity Shares	Quoted price on exchange as on the reporting date.

3.10 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.

3.11 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.

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 (Yard)	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).

iv. Capital Work-in-progress

Capital work in progress includes assets not ready for the intended use and is carried at cost, comprising direct cost and related incidental expenses.

3.12 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.

3.13 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.

3.14 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

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

3.16 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for;

b) Uncalled liability on shares and other investments partly paid;

c) Funding related commitment to associate; and

d) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

3.17 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.

3.18 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.

3.19 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 borrowing 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.

3.20 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.

3.21 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.

3.22 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.

3.23 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.

3.24 Securities premium

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares and issue expenses of securities which qualify as equity instruments.

3.25 Goods and Services Input Tax Credit

Goods and Services tax input credit is recognised for in the books in the period in which the supply of goods or service received is recognised and when there is no uncertainty in availing/utilising the credits.

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 2021	As at 31st March 2020
5 Cash and cash equivalents		
Cash on hand	7,498	1,316
Balances with banks	53,425	76,898
Cheques on hand	19,915	4,665
Total	**80,838**	**82,879**
6 Bank balance other than cash and cash equivalents		
Bank deposits	5,585	14,610
Total	**5,585**	**14,610**

Notes :

6.1. The bank deposits earn interest at fixed rates.

6.2. The Company has given fixed deposits as credit enhancement for securitisation transactions in the form of pass through certificates entered by it, amounting to INR 5,272 Lakh (31st March, 2020 : INR 14,336 Lakh) (Refer note 14)

7 Loans

INR in Lakhs

Particulars	As at 31st March 2021			As at 31st March 2020		
	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						
(I) Retail loans	7,81,973	10,52,585	18,34,558	9,16,847	6,98,932	16,15,779
Term loans	1,41,305	-	1,41,305	2,02,546	-	2,02,546
	9,23,278	**10,52,585**	**19,75,863**	**11,19,393**	**6,98,932**	**18,18,325**
Less: Impairment loss allowance	(68,467)	-	(68,467)	(59,383)	4,034	(55,349)
Total (I)-Net	**8,54,811**	**10,52,585**	**19,07,396**	**10,60,010**	**7,02,966**	**17,62,976**
(II) Repossessed loans	31,252	-	31,252	94,666	-	94,666
	31,252	**-**	**31,252**	**94,666**	**-**	**94,666**
Less: Impairment loss allowance	(13,498)	-	(13,498)	(33,486)	-	(33,486)
Total (II)-Net	**17,754**	**-**	**17,754**	**61,180**	**-**	**61,180**
Total (I) and (II)	**8,72,565**	**10,52,585**	**19,25,150**	**11,21,190**	**7,02,966**	**18,24,156**
B. Based on Security						
(i) Secured by tangible assets	9,54,530	10,52,585	20,07,115	12,14,059	6,98,932	19,12,991
(ii) Unsecured	-	-	-	-	-	-
Total Gross Loans	**9,54,530**	**10,52,585**	**20,07,115**	**12,14,059**	**6,98,932**	**19,12,991**
Less: Impairment loss allowance	(81,965)	-	(81,965)	(92,869)	4,034	(88,835)
Total Net Loans	**8,72,565**	**10,52,585**	**19,25,150**	**11,21,190**	**7,02,966**	**18,24,156**
C. Based on region						
(I) Loans in India						
(i) Public Sector	-	-	-	-	-	-
(ii) Others	9,54,530	10,52,585	20,07,115	12,14,059	6,98,932	19,12,991
Total Gross	**9,54,530**	**10,52,585**	**20,07,115**	**12,14,059**	**6,98,932**	**19,12,991**
Less: Impairment loss allowance	(81,965)	-	(81,965)	(92,869)	4,034	(88,835)
Total (I)-Net	**8,72,565**	**10,52,585**	**19,25,150**	**11,21,190**	**7,02,966**	**18,24,156**
(II) Loans outside India						
Loans outside India	-	-	-	-	-	-
Total (I) and (II)	**8,72,565**	**10,52,585**	**19,25,150**	**11,21,190**	**7,02,966**	**18,24,156**

Notes :
Security details
Secured Exposures that are secured by underlying assets hypothicated with the company

8 Investments

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Investments in equity instruments of subsidiary, at cost		
Hinduja Housing Finance Limited	21,500	19,000
Investments in equity instruments of associate, at cost		
HLF Services Limited	2	2
Measured at fair value through profit and loss		
Investment in equity shares (quoted)		
Yes Bank Limited	3,807	-
Measured at amortised cost		
Investment in debentures (quoted)		
Non-convertible redeemable debentures	3,045	7,750
Investment in debentures (unquoted)		
Non-convertible redeemable debentures	5,844	1,507
Investment in pass-through certificates (unquoted)		
Investment in pass-through certificates	35,470	41,425
Investment in security receipts (unquoted)		
Investment in security receipts	20,889	-
Investment in funds (unquoted)		
Investment in alternative investment funds	8,150	8,000
Gross investments	**98,707**	**77,684**
(i) Investments outside India	-	-
(ii) Investments in India	98,707	77,684
Total	**98,707**	**77,684**
Less: Allowance for impairment loss	-	-
	98,707	**77,684**
Aggregate market value of quoted investments	6,852	7,750
Aggregate market value of unquoted investments	91,855	69,934

9 Other financial assets

Particulars	As at 31st March 2021	As at 31st March 2020
Receivables from related party		
Dues from Hinduja Housing Finance Limited (Subsidiary Company)	-	-
Dues from HLF Services Limited (Associate Company)	-	5,186
Dealer trade advances (Unsecured, considered good)	28,009	29,660
Less: Impairment loss allowance	-	-
Employee advances	83	104
Interest accrued		
- on loans	-	-
- on investments	-	-
- on fixed deposits	-	-
Lease advance	-	-
Security deposits	592	577
Less: Provision for doubtful deposits	-	-
Other receivables	3,618	813
Less: Provision for doubtful receivables	-	-
Receivable from assigned loans	27,135	22,540
Asset acquired under satisfaction of debt (net of provisions)	-	-
Total	**59,437**	**58,880**

10 Property, plant and equipment

INR in Lakhs

Particulars	Freehold land*	Buildings	Servers and computers	Furniture and fittings	Vehicles	Office equipment	Leasehold improvements	Total
Cost								
Gross block								
As at 1st April, 2019	**2,066**	**1,639**	**987**	**455**	**568**	**127**	**249**	**6,091**
Additions	-	-	630	80	46	19	95	870
Deletions	-	175	14	-	8	-	-	197
As at 31st March, 2020	**2,066**	**1,464**	**1,603**	**535**	**606**	**146**	**344**	**6,764**
Additions	3,935	-	93	6	-	8	39	4,081
Deletions	-	-	15	-	117	-	-	132
As at 31st March, 2021	**6,001**	**1,464**	**1,681**	**541**	**489**	**154**	**383**	**10,713**
Accumulated depreciation								
As at 1st April, 2019	**-**	**171**	**421**	**137**	**273**	**67**	**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**	**755**	**206**	**353**	**93**	**203**	**1,795**
Depreciation for the year	-	27	341	63	73	22	82	608
Deletion	-	-	7	-	112	-	-	119
As at 31st March, 2021	**-**	**212**	**1,089**	**269**	**314**	**115**	**285**	**2,284**
Carrying amount								
As at 31st March, 2020	2,066	1,279	848	329	253	53	141	4,969
As at 31st March, 2021	**6,001**	**1,252**	**592**	**272**	**175**	**39**	**98**	**8,429**

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

10A Intangible Assets

INR in Lakhs

Particulars	Computer Software	Total
Cost or deemed cost (gross carrying amount)		
Gross block		
As at 1st April, 2019	**56**	**56**
Additions	44	44
Deletion	-	-
As at 31st March, 2020	**100**	**100**
Additions	35	35
Deletion	-	-
As at 31st March, 2021	**135**	**135**
Accumulated amortisation		
As at 1st April, 2019	**26**	**26**
Amortisation for the year	15	15
Deletion	-	-
As at 31st March, 2020	**41**	**41**
Amortisation for the year	23	23
Deletion	-	-
As at 31st March, 2021	**63**	**63**
Carrying amount		
As at 31st March, 2020	59	59
As at 31st March, 2021	**72**	**72**

10B Right of use asset

INR in Lakhs

Particulars	Right of use asset	Total
Cost		
Gross block		
As at 1st April, 2019	**-**	**-**
Additions	3,048	3,048
Deletion	-	-
As at 31st March, 2020	**3,048**	**3,048**
Additions	1,210	1,210
Deletion	-	-
As at 31st March, 2021	**4,258**	**4,258**
Accumulated amortisation		
As at 1st April, 2019	-	-
Amortisation for the year	398	398
Deletion	-	-
As at 31st March, 2020	**398**	**398**
Amortisation for the year	1,228	1,228
Deletion	-	-
As at 31st March, 2021	**1,626**	**1,626**
Carrying amount		
As at 31st March, 2020	2,650	2,650
As at 31st March, 2021	**2,632**	**2,632**

11 Other non-financial assets

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Prepaid expenses	3,164	1,654
Balance receivable from government authorities	2,572	1,275
Total	**5,736**	**2,929**

12 Payables

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
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	1,722	1,957
Total	**1,722**	**1,957**

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.

Particulars	As at 31st March 2021	As at 31st March 2020
(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	-	-

13 Debt securities

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Measured at amortised cost:		
Secured		
12,550 (31st March, 2020: 8,010) Redeemable non-convertible debentures (refer note 13.1 & 13.2)	1,31,803	88,300
Total	**1,31,803**	**88,300**
Debt securities in India	1,31,803	88,300
Debt securities outside India	-	-
Total	**1,31,803**	**88,300**
Total	**1,31,803**	**88,300**

13.1 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 upto 110% as per the terms of issue.

13.2 Out of the debentures issued and outstanding:

12,550 (31st March, 2020: 8,010) debentures were issued with a face value of Rs. 10,00,000/-. As at 31st March, 2021 these debentures carry interest rates ranging from 8.00% p.a. to 9.25% p.a. and the redemption period is ranging from 18 months to 3 years from the date of allotment.

The aforesaid debentures are listed at BSE

14 Borrowings (Other than debt securities)

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Measured at amortised cost		
Secured borrowings		
Term Loan from banks and financial institution (refer note 14.1 & 14.2)	13,93,783	13,80,822
Pass through certificates (refer note 6.2)	24,635	51,133
Cash credit and working capital demand loans from banks (refer note 14.1)	54,936	46,838
Other loans	-	-
Total	**14,73,354**	**14,78,793**
Borrowings in India	14,73,354	14,78,793
Borrowings outside India	-	-
Total	**14,73,354**	**14,78,793**
Total	**14,73,354**	**14,78,793**

14.1 Secured borrowing

Term loan, cash credit and working capital demand loans from banks and financial institutions are secured by pari passu charge on receivables other than those that are specifically charged to the lenders. The company generally gives exclusive charges. These facilities carry interest rates ranging from "MCLR of the respective bank" per annum to "MCLR of the respective bank + spread". The facilities may also carry interest linked with other benchmark like T-bill rates or Repo rates or other benchmark. As at 31st March, 2021, the rate of interest across the loans was in the range of 5.25% p.a to 9.43% p.a.

15 Deposits

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
From related parties		
Security deposits from Hinduja Housing Finance Limited (Subsidiary Company)	162	162
Total	**162**	**162**

16 Subordinated liabilities

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Measured at amortised cost:		
Unsecured subordinated redeemable non-convertible debentures (refer note 16.1)	1,27,663	1,24,088
Other subordinated unsecured loans (refer note 16.2)	7,500	7,500
Total (A)	**1,35,163**	**1,31,588**
Subordinated Liabilities in India	1,35,163	1,31,588
Subordinated Liabilities outside India	-	-
Total (B)	**1,35,163**	**1,31,588**

16.1 Details relating to subordinated redeemable non-convertible debentures

12,100 (31st March, 2020: 11,750) debentures were issued with a face value of Rs. 10,00,000/-. These debentures carry interest rates ranging from 9.20% p.a. to 11.60% p.a. and the redemption period is 5 to 7 years.

The aforesaid debentures are listed at Bombay Stock Exchange.

16.2 Details relating to Other sub-ordinated unsecured loans

As at 31st March, 2021, the Unsecured subordinated loans carries interest rate is 11.31% p.a. and the redemption period is 5 years.

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

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 1	1,663	Repayable in 1 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 2	8,750	Repayable in 7 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 3	10,000	Repayable in 8 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 4	30,000	Repayable in 12 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 5	9,500	Repayable in 2 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 6	13,200	Repayable in 5 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 7	30,000	Repayable in 16 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 8	50,000	Repayable in 16 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 9	50,000	Repayable in 16 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 10	13,333	Repayable in 8 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 11	25,000	Repayable in 10 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 12	2,667	Repayable in 12 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 13	12,500	Repayable in 5 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 14	21,875	Repayable in 7 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 15	604	Repayable in 1 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 16	21,875	Repayable in 7 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 17	37,500	Repayable in 15 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 18	42,107	Repayable in 16 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 19	13,499	Repayable in 9 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 20	16,874	Repayable in 9 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 21	15,554	Repayable in 14 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 22	28,125	Repayable in 15 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 23	6,250	Repayable in 10 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 24	6,142	Repayable in 52 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 25	2,500	Repayable in 1 Half yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 26	5,455	Repayable in 6 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 27	3,182	Repayable in 7 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 28	7,500	Repayable in 11 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 29	50,000	Repayable in 8 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 30	20,000	Repayable in 17 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 31	3,746	Repayable in 1 Half yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 32	28,125	Repayable in 15 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 33	1,250	Repayable in 1 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 34	18,748	Repayable in 10 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 35	28,115	Repayable in 15 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 36	13,731	Repayable in 2 Half yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 37	11,996	Repayable in 8 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 38	28,116	Repayable in 15 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 39	10,000	Repayable in 2 Half yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 40	25,000	Repayable in 5 Half yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 41	10,999	Repayable in 11 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 42	8,250	Repayable in 11 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 43	9,083	Repayable in 12 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 44	4,500	Repayable in 18 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 45	9,500	Repayable in 19 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 46	7,125	Repayable in 19 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 47	26,125	Repayable in 19 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 48	59,483	Repayable in 12 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 49	41,393	Repayable in 10 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 50	20,000	Repayable in 20 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 51	5,625	Repayable in 3 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 52	7,500	Repayable in 6 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 53	10,000	Repayable in 4 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 54	17,500	Repayable in 7 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 55	37,497	Repayable in 9 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 56	50,000	Repayable in 2 Half yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 57	25,000	Repayable in 4 Half yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 58	20,000	Repayable in 8 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 59	20,000	Repayable in 16 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 60	5,826	Repayable in 21 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 61	4,850	Repayable in 3 Yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 62	16,250	Repayable in 13 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 63	16,250	Repayable in 13 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 64	10,750	Repayable in 4 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 65	10,000	Repayable in 11 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 66	32,500	Repayable in 13 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 67	8,750	Repayable in 1 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 68	10,000	Repayable in 1 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 69	10,000	Repayable in 12 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 70	3,995	Repayable in 4 Yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 71	7,000	Repayable in 7 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 72	417	Repayable in 2 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 73	833	Repayable in 2 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 74	2,500	Repayable in 4 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 75	417	Repayable in 2 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 76	3,750	Repayable in 6 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 77	5,833	Repayable in 15 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 78	4,583	Repayable in 33 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 79	4,583	Repayable in 33 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 80	9,429	Repayable in 33 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 81	9,706	Repayable in 33 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 82	30,000	Repayable in 36 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 83	4,000	Repayable in 12 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 84	8,667	Repayable in 13 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 85	4,333	Repayable in 13 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 86	29,952	Repayable in 16 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 87	10,000	Repayable in 16 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 88	5,000	Repayable in 12 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 89	9,167	Repayable in 11 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
EIR adjustments	381		
Total Term Loans from Banks	**13,93,783**		

17 Other financial liabilities

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Interest accrued but not due on borrowings	-	-
Amount payable under assignment of receivables	28,351	23,205
Payable under interest participation	12,660	11,772
Dealer payables	-	3,509
Accrued employee benefits	1,114	1,077
Lease liability	2,764	2,608
Other payable	-	-
Total	**44,889**	**42,171**

18 Provisions

Provision for employee benefits		
- gratuity	162	170
- compensated absences	224	121
Total	**386**	**291**

19 Other non-financial liabilities

Statutory remittances	557	443
Total	**557**	**443**

20 Equity share capital

Authorised		
62,29,07,700 (31st March, 2020: 62,29,07,700) equity shares of INR 10/- each	62,291	62,291
	62,291	**62,291**
Issued, subscribed and fully paid up		
46,97,82,490 (31st March, 2020: 46,97,52,490) equity shares of INR 10/- each	46,978	46,975
	46,978	**46,975**

Notes:

a) Reconciliation of number of Equity shares subscribed

INR in Lakhs

Particulars	As at 31st March 2021		As at 31st March 2020	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
At the commencement of the year	46,97,52,490	46,975	46,96,70,990	46,967
Add: Shares issued during the year	30,000	3	81,500	8
At the end of the year	**46,97,82,490**	**46,978**	**46,97,52,490**	**46,975**

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

Particulars	As at 31st March 2021		As at 31st March 2020	
	No. of shares	% held	No. of shares	% held
Equity shares				
Ashok Leyland Limited; holding company	32,32,46,338	68.81%	31,56,42,021	67.19%
IndusInd International Holdings Limited	7,89,79,303	16.81%	7,89,79,303	16.81%
Hinduja Automotive Limited	4,32,88,239	9.21%	98,44,321	2.10%
Hinduja Power Limited	50,00,000	1.06%	2,57,86,550	5.49%

d) Shares reserved for issue under employee stock option plan

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number	Amount	Number	Amount
Under Employee stock option scheme, 2013, at an exercise price as determined by the Nomination and Remuneration Committee	1,86,64,748	1,866	1,99,06,191	1,991

e) 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, 2021, 24,40,000 (31st March 2020: 28,64,500) equity shares issued under employee stock option plan for which only exercise price has been received in cash.

21 Other Equity

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
a) Securities premium		
Balance at the beginning of the year	96,247	96,211
Add: Premium on issue of shares	12	36
Add: Transferred from Employee Stock Option Outstanding account	397	-
Balance at the end of the year	**96,656**	**96,247**
b) Employee stock option outstanding account		
Balance at the beginning of the year	293	293
Add: Share based payment expense for the year	336	-
Less: Transferred to securities premium	(397)	-
Balance at the end of the year	**232**	**293**
c) Statutory reserves		
Balance at the beginning of the year	29,255	23,416
Add: Amount transferred from surplus in statement of profit and loss	5,403	5,839
Balance at the end of the year	**34,658**	**29,255**
d) Retained earnings (Surplus in Statement of Profit and Loss)		
Balance at the beginning of the year	1,06,178	82,820
Add: Profit for the year	27,013	29,197
Less :Transferred to statutory reserve	(5,403)	(5,839)
Balance at the end of the year	**1,27,788**	**1,06,178**

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
e) Other comprehensive income		
Balance at the beginning of the year	45,687	22,677
Add: Comprehensive Income for the year	30,522	23,010
Balance at the end of the year	**76,209**	**45,687**
Total (a+b+c+d+e)	**3,35,543**	**2,77,660**

Notes

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 the RBI Act, 1934, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared

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.

22 Interest income

INR in Lakhs

Particulars	Year ended 31st March 2021			Year ended 31st March 2020		
	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)	73,778	1,70,670	2,44,448	82,502	1,74,524	2,57,026
- Interest on investment in pass through certificates	-	4,030	4,030	-	6,966	6,966
- Interest income on investment in debentures	-	776	776	-	3,862	3,862
- Interest income on lease assets	-	23	23	-	12	12
Total	**73,778**	**1,75,499**	**2,49,277**	**82,502**	**1,85,364**	**2,67,866**

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 INR 6,387 Lakh (31st March, 2020 - INR 8,113 Lakh) 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 INR 15,123 Lakh (31st March, 2020 - INR 13,702 Lakh).

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
23 Fees and commission income		
Other charges	3,747	5,315
Total	**3,747**	**5,315**
24 Net gain on derecognition of financial instruments		
Income on assignment of loans	18,716	18,751
Total	**18,716**	**18,751**
25 Other income		
Interest on fixed deposits	1,516	761
Other income (refer note below)	684	55
Total	**2,200**	**816**

Note: Interest on income tax refund amounting to INR 676 lakh

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
26 Finance Costs		
Finance costs on financial liabilities measured at amortised cost		
Interest on borrowings		
- term loans from banks	1,12,898	1,10,820
- cash credits and working capital demand loans	3,639	5,735
- securitised portfolio	3,225	2,622
Interest on debt securities	8,572	11,797
Interest on subordinated liabilities	12,043	14,382
Amortisation of discount on commercial papers	307	7,788
Amortisation of ancillary costs relating to borrowings	1,831	2,168
Interest on deferred lease liability	178	85
Total	**1,42,693**	**1,55,397**
27 Fees and commission expense		
Service provider and sourcing expenses	3,778	8,722
Service fee and premium	-	-
Total	**3,778**	**8,722**

28 Impairment on financial assets

INR in Lakhs

Particulars	Year ended 31st March 2021		Year ended 31st March 2020	
	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	-	70,618	4,034	55,502
Impairment loss on other receivables	-	2,991	-	2,151
Total	**-**	**73,609**	**4,034**	**57,653**
Total impairment on financial asset		**73,609**		**61,687**

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
29 Employee benefits expenses		
Salaries, wages and bonus	12,734	12,170
Contribution to provident and other funds	670	576
Contribution to gratuity (refer note 35)	129	94
Staff welfare expenses	108	243
Employee stock option expenses (refer note 34)	336	-
Total	**13,977**	**13,083**
30 Depreciation and amortization		
Depreciation of property, plant and equipment	608	639
Amortisation of intangible assets	23	15
Amotisation of right of use assets	1,228	398
Total	**1,859**	**1,052**
31 Other expenses		
Legal and professional charges	1,703	1,964
Rent	409	1,349
Communication expenses	518	733
Insurance	374	339
Electricity charges	211	279
Rates and taxes	255	119
Office maintenance	246	557
Repairs and maintenance	264	208
Bank charges	94	221
Printing and stationery	268	429
Travelling and conveyance	559	1,129
Auditor remuneration (refer note 31.1)	111	93
Meeting and conference expenses	14	60
Commission to directors	191	168
Sitting fees to directors	93	72
Expenditure on corporate social responsibility (refer note 41)	548	705
Miscellaneous expenses	553	480
Total	**6,411**	**8,905**
31.1 Payments to auditor (excluding goods and services tax)		
(a) As auditor:		
Statutory audit	42	35
Tax audit	2	2
Limited review	18	15
Consolidation	13	10
(b) In other capacity:		
Certification	5	5
Other services	26	21
(c) Reimbursement of expenses	5	5
Total	**111**	**93**

32 Income Tax

The components of income tax expense for the years ended 31st March, 2021 and 2020 are:

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Current tax	10,868	11,157
Deferred tax	(2,103)	3,549
Tax pertaining to earlier years	(623)	-
Total tax charge	**8,142**	**14,706**

32.1 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, 2021 and 2020 is, as follows:-

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Accounting profit before tax	35,155	43,903
Applicable tax rate	25.17%	25.17%
Computed tax expense	**8,848**	**11,050**
Tax effect of :		
Tax pertaining to earlier years	(623)	-
Tax effect of opting for concessional rate of tax	-	3,549
Donations and others	(82)	107
Tax expenses recognised in the statement of profit and loss	**8,143**	**14,706**
Effective tax rate	23.16%	33.49%

32.2 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 March, 2020	Statement of profit and loss	Other comprehen-sive income	As at 31st March, 2021
Deferred tax asset / (liability) in relation to:				
Fixed assets	45	(3)	-	42
Impact of fair value of assets	(15,446)	-	(10,274)	(25,720)
Impairment on financial assets	13,262	4,068	-	17,330
Provision for employee benefits	54	24	11	89
Impact on ESOP fair valuation	-	-	-	-
Impact on other receivables	(5,674)	(1,156)	-	(6,830)
Impact on leases	36	(38)	-	(2)
Impact of prepaid expenses	-	(6,517)	-	(6,517)
Others	1	(99)	-	(98)
Total	**(7,722)**	**(3,721)**	**(10,263)**	**(21,706)**

INR in Lakhs

Component of Deferred tax asset / (liability)	As at 1st April, 2019	Statement of profit and loss	Other comprehen-sive income	As at 31st March, 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 other receivables	(5,462)	(212)	-	(5,674)
Impact on leases		36	-	36
Others	696	(695)	-	1
Total	**(779)**	**(3,547)**	**(3,396)**	**(7,722)**

33 Earnings per share ('EPS')

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Earnings		
Net profit attributable to equity shareholders for calculation of basic EPS	27,013	29,197
Net profit attributable to equity shareholders for calculation of diluted EPS	27,013	29,197
Shares		
Equity shares at the beginning of the year	46,97,52,490	46,96,70,990
Shares issued during the year	30,000	81,500
Total number of equity shares outstanding at the end of the year	**46,97,82,490**	**46,97,52,490**
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	46,97,65,723	46,97,25,326
Effect of dilutive potential equity shares		
Employee stock options	1,92,796	2,05,296
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	46,99,58,519	46,99,30,622
Face value per share	10.00	10.00
Earnings per share		
Basic	5.75	6.22
Diluted	5.75	6.21

34 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:

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Share based payment expense:		
Total expense recognised in 'employee benefits' (refer note 29)	336	-

Reconciliation of outstanding options

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

INR in Lakhs

Particulars	Year ended 31st March 2021		Year ended 31st March 2020	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Outstanding at beginning of the year	**13,51,000**	**77.68**	**13,75,000**	**73.45**
Granted during the year	-	-	1,60,000	110.00
Forfeited during the year	55,500	40.84	1,02,500	92.51
Exercised during the year	76,500	38.94	81,500	51.10
Expired during the year	-	-	-	-
Outstanding at the end of the year	**12,19,000**	**81.79**	**13,51,000**	**77.68**

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

INR in Lakhs

Particulars	As at 31st March 2021			As at 31st March 2021		
	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	12,19,000	INR/- 54.40 to 110	1 – 4 years	12,63,000	INR/- 56.95 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	29,95,000	11,90,000	50,000	4,60,000	2,10,000
Value of the share at the grant date	27.95	79	95	110	110
Exercise price	INR/- 10 to 27.95	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.

35 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 670 lakhs (31st March, 2020 : INR 576 lakhs) (refer note 29) 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 March 2021	As at 31st March 2020
Significant assumptions		
Discount rate	5.20%	5.60%
Expected rate of salary escalation	10.00%	10.00%
Other assumption		
Mortality rate	Indian Assured Lives Mortality 2006-08 Ultimate	Indian Assured Lives Mortality 2006-08 Ultimate

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:

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	For the year ended 31st March 2021	For the year ended 31st March 2020
Present value of obligations	653	487
Fair value of plan assets	514	330
Liability recognised in the Balance Sheet	**(139)**	**(157)**

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

INR in Lakhs

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Current service cost	125	91
Past service cost	-	-
Net interest cost	4	3
Components of defined benefits costs recognised in profit or loss.	**129**	**94**
Remeasurements on the net defined benefit liability :		
- Actuarial (gain)/loss from change in demographic assumptions	-	-
- Actuarial (gain)/loss from change in financial assumptions	11	26
- Actuarial (gain)/loss from change in experience adjustments	26	51
- Return on plan assets (greater)/less than discount rate	(4)	(2)
Total amount recognised in other comprehensive income	**33**	**75**
Total	**162**	**169**

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 March 2021	For the year ended 31st March 2020
Opening defined benefit obligation	487	333
Current service cost	125	91
Past service cost	-	-
Interest cost	27	22
Remeasurements (gains)/losses:		
- Actuarial (gain)/loss from change in demographic assumptions	-	-
- Actuarial (gain)/loss from change in financial assumptions	11	26
- Actuarial (gain)/loss from change in experience adjustments	26	51
Benefits paid	(23)	(35)
Closing defined benefit obligation	**653**	**488**

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Movement in present values of defined benefit obligations		
Defined benefit obligation at the beginning of the year	487	333
Current service cost	125	91
Interest cost	27	22
Actuarial (gains) / losses	37	77
Benefits paid by the plan	-	(23)
Benefits paid directly by the company	(23)	(13)
Defined benefit obligation at the end of the year	**653**	**487**

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Movement in fair value of plan assets		
Fair value of plan assets at the beginning of the year	330	220
Contributions paid into the plan	157	112
Benefits paid by the plan	-	(23)
Expected return on plan assets	23	19
Actuarial (losses) / gains	4	2
Fair value of plan assets at the end of the year	**514**	**330**
Actuarial assumptions		
Discount rate	5.20%	5.60%
Estimated rate of return on plan assets	5.20%	5.60%
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 March 2021	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018	As at 31st March 2017
Defined benefit obligation	653	487	333	236	164
Fair value of plan assets	514	330	219	206	115
Deficit in plan	139	157	112	30	48
Experience adjustments on plan liabilities	37	77	46	(1)	(45)
Experience adjustments on plan assets	4	2	2	36	-

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 March 2021		Year ended 31st March 2020	
	Increase	Decrease	Increase	Decrease
100 base points increase/decrease				
Discount rate	(26)	28	(19)	21
Future salary growth	26	(25)	20	(19)
Attrition rate	(10)	11	(2)	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 March 2021	As at 31st March 2020
Expected benefits for year 1	116.44	92.95
Expected benefits for year 2	118.73	81.91
Expected benefits for year 3	147.16	99.72
Expected benefits for year 4	172.02	126.31
Expected benefits for year 5	180.50	153.68
Expected benefits for year 6	167.22	158.53
Expected benefits for year 7	155.55	142.64
Expected benefits for year 8	137.81	131.72
Expected benefits for year 9	124.38	117.07
Expected benefits for year 10 and above	106.05	105.39

The weighted average duration of the payment of these cash flows is 4 years (FY 2019-20 - 4 years)

c) Other long term employee benefits

The liability for compensated absences as at 31st March, 2021 is INR 224 lakh and as at 31st March, 2020 was INR 121 lakh.

d) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13th November, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

36 Segment reporting

The Company is primarily engaged into business of providing loans. 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'.

37 Contingent liabilities and commitments

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Claims against the Company not acknowledged as debts: Value added taxes [bank guarantee provided against the claim INR 5 lakh (31st March, 2020 : INR 75 lakh)]	180	180
Bank guarantee against securitisation transactions	3,124	4,558

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.

38 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
	Ashley Aviation Limited
Key management personnel (KMP)	Mr. Dheeraj G Hinduja, Chairman
	Mr. S. Nagarajan, Executive Vice Chairman
	Mr. Sachin Pillai, Managing Director & CEO
	Mr. Gopal Mahadevan, Director
	Mr. Sudhanshu Tripathi, Director
	Mr. G S Sundararajan, Independent Director
	Mr. R S Sharma, Independent Director
	Ms. Manju Agarwal, Independent Director
	Mr. D Sarkar, Independent Director
	Prof. Dr. Andreas H Biagosch, Independent Director
	Ms. Bhumika Batra, Independent Director

Related party transactions

INR in Lakhs

Nature of transaction	Holding company (ALL)	Associate (HSL)	Subsidiary (HHF)	Fellow subsidiary	KMP
Investment in equity shares	- -	- -	2,500 (4,000)	- -	- -
Inter-corporate deposits (Hinduja Energy (India) Limited)	- -	- -	- -	30,000 (17,500)	- -
Repayment of Inter-corporate deposits (Hinduja Energy (India) Limited)	- -	- -	- -	30,000 (22,000)	- -
Advance given (Gulf Ashley Motors Limited)	- -	- -	- -	600 (4,160)	- -
Advance repayment (Gulf Ashley Motors Limited)	- -	- -	- -	600 (4,855)	- -
Reimbursement of expenses incurred on behalf of the related party	60 (1) -	- - -	125 (104) -	21 - -	- - -

INR in Lakhs

Nature of transaction	Holding company (ALL)	Associate (HSL)	Subsidiary (HHF)	Fellow subsidiary	KMP
Interest income	-	-	-	-	-
- Hinduja Energy (India) Limited	-	-	-	768	-
	-	-	-	(691)	-
- Gulf Ashley Motors Limited	-	-	-	0	-
	-	-	-	(8)	-
Purchase of services including tax:	-	-	-	-	-
a. Service provider fee	-	10,612	-	-	-
	-	(8,622)	-	-	-
b. Sourcing / marketing expenses	-	-	-	-	-
	-	-	-	-	-
Income from other services	124	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Salaries and allowances	-	-	-	-	-
- Mr. S. Nagarajan	-	-	-	-	403
	-	-	-	-	(378)
- Mr. Sachin Pillai	-	-	-	-	324
	-	-	-	-	(283)
Sitting fees and Commission					
- Mr. Dheeraj G Hinduja	-	-	-	-	61
	-	-	-	-	(54)
- Mr. Gopal Mahadevan	-	-	-	-	33
	-	-	-	-	(27)
- Mr. Sudhanshu Tripathi	-	-	-	-	25
	-	-	-	-	(23)
- Mr. G S Sundararajan	-	-	-	-	32
	-	-	-	-	(24)
- Mr. R S Sharma	-	-	-	-	31
	-	-	-	-	(25)
- Ms. Manju Agarwal	-	-	-	-	34
	-	-	-	-	(29)
- Mr. Debabrata Sarkar	-	-	-	-	31
	-	-	-	-	(25)
- Prof. Dr. Andreas H Biagosch	-	-	-	-	21
	-	-	-	-	(28)
- Ms. Bhumika Batra	-	-	-	-	8
	-	-	-	-	-
Number of equity shares allotted on exercise of options					
- Mr. Sachin Pillai	-	-	-	-	15,000
	-	-	-	-	(10,000)

Figures in bracket represent previous year figures.

Year end balances

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Amounts due from related parties		
- HLF Services Limited	-	5,186
Amounts due to related parties		
- Hinduja Housing Finance Limited	162	162

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.

39 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 March 2021			As at 31st March 2020		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Assets						
Cash and cash equivalents	80,838	-	80,838	82,879	-	82,879
Bank Balance other than cash and cash equivalents	5,585	-	5,585	14,610	-	14,610
Loans	6,06,577	13,18,573	19,25,150	7,52,758	10,71,398	18,24,156
Investments	10,545	88,162	98,707	17,681	60,003	77,684
Other financial assets	45,592	13,844	59,436	57,489	1,391	58,880
Current tax assets (net)	5,639	-	5,639	7,130	-	7,130
Property, Plant and Equipment	-	8,429	8,429	-	4,969	4,969
Capital work-in-progress	-	38	38	-	116	116
Other Intangible assets	-	72	72	-	59	59
Right of use assets	-	2,632	2,632	-	2,650	2,650
Other non-financial assets	5,736	-	5,736	2,929	-	2,929
Total Assets	**7,60,512**	**14,31,750**	**21,92,262**	**9,35,476**	**11,40,586**	**20,76,062**
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	1,722	-	1,722	1,957	-	1,957
Debt Securities	63,544	68,259	1,31,803	61,602	26,698	88,300
Borrowings (other than debt securities)	6,17,228	8,56,126	14,73,354	5,26,310	9,52,483	14,78,793
Deposits	-	162	162	-	162	162
Subordinated liabilities	21,137	1,14,026	1,35,163	20,570	1,11,018	1,31,588
Other financial liabilities	40,669	4,220	44,889	36,606	5,565	42,171
Provisions	-	386	386	-	291	291
Deferred tax liabilities (net)	-	21,705	21,705	-	7,722	7,722
Other non-financial liabilities	557	-	557	443	-	443
Total Liabilities	**7,44,857**	**10,64,884**	**18,09,741**	**6,47,488**	**11,03,939**	**17,51,427**
Net	**15,655**	**3,66,866**	**3,82,521**	**2,87,988**	**36,647**	**3,24,635**

40 Leases

The Company has adopted Ind AS 116 "Leases" and applied the standard to all outstanding lease contracts 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.

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.

Following are the changes in the carry value of the right of use assets for the year ended 31st March, 2021:

INR in Lakhs

Category of ROU Asset	Gross Block			Accumulated Depreciation			Net Block
	As at 1st April, 2020	Additions	As at 31st March, 2021	As at 1st April, 2020	Depreciation	As at 31st March, 2021	As at 31st March, 2021
Office Premises	3,048	1,210	4,258	398	1,228	1,626	2,632

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, 2021 on an undiscounted basis:

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Within one year	1,118	943
After one year but not more than five years	1,916	1,290
More than five years	444	318
Total	**3,478**	**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 March 2021	Year ended 31st March 2020
Within one year	22	24
After one year but not more than five years	20	34
More than five years	-	-
Total	**42**	**57**
Less: Future finance charges	8	8
Present value of minimum lease payments	**34**	**49**
Total	**42**	**57**

41 Corporate social responsibility ("CSR") expenditure

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
(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	759	638
(b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	491	705

The Company has unspent CSR provision of INR 269 lakh as on 31st March, 2021 which has been deposited subsequently in April 2021 in a separate bank account. The Company is in process of utilizing against the approved projects.

42 Expenditure in foreign currency

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Legal and professional charges	39	41

43 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, 2021 were as follows:

INR in Lakhs

Category of ROU Asset	Carrying amount	Fair value			
	FVOCI	Level 1	Level 2	Level 3	Total
As at 31st March, 2021					
Loans	9,59,291	-	-	10,52,585	10,52,585
As at 31st March, 2020					
Loans	6,98,932	-	-	7,51,408	7,51,408

The company does not have any other financial assets measured at fair value as on 31st March, 2021 and 31st March, 2020.

Reconciliation of level 3 fair value measurement is as follows

INR in Lakhs

Loans	Year ended 31st March 2021	Year ended 31st March 2020
Loans, measured at FVOCI		
Balance at the beginning of the year	52,476	30,028
Total gains measured through OCI for additions made during the year	40,818	22,448
Balance at the end of the year	**93,294**	**52,476**

Sensitivity analysis

INR in Lakhs

	Equity, net of tax	
	Increase	Decrease
31st March, 2021		
Loans		
Interest rates (1% movement)	19,471.90	20,184.43

The carrying value and fair value of other financial instruments by categories as of 31st March, 2021 were as follows:

INR in Lakhs

Particulars	Carrying amount	Fair value			
	Amortised cost	Level 1	Level 2	Level 3	Total
Assets:					
Loans	19,75,863	-	-	21,67,826	21,67,826
Investments	77,205	8,150	-	50,981	59,131
Total	**20,53,068**				
Liabilities:					
Debt securities	1,31,803	1,31,803	-	-	1,31,803
Borrowings	14,73,354	-	-	14,73,354	14,73,354
Security deposits	162	-	-	162	162
Subordinated liabilities	1,35,163	1,35,163	-	-	1,35,163
Total	**17,40,482**				

The carrying value and fair value of 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**				

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 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 March 2021	Year ended 31st March 2020
Gross debt	17,40,320	16,98,681
Less:		
Cash and cash equivalents	80,838	82,879
Other bank deposits	5,585	14,610
Adjusted net debt	16,53,897	16,01,192
Total equity	3,82,521	3,24,635
Adjusted net debt to equity ratio	**4.32**	**4.93**

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 March, 2021	As at 31st March, 2020
Tier I Capital	3,01,207	2,73,400
Tier II Capital	52,866	53,130
Total Capital	**3,54,073**	**3,26,530**
Risk weighted assets	19,69,239	18,93,450
Tier I Capital Ratio (%)	15.30%	14.44%
Tier II Capital Ratio (%)	2.68%	2.81%

Tier 1 capital consists of shareholders' equity and retained earnings. Tier II Capital consists of general provision and loss reserve related to 12 months expected credit loss allowance. Tier II also includes 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.

44 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 conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information etc.

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 March 2021	As at 31st March 2020
(I) Retail loans	18,34,558	16,24,299
Term loans	1,41,305	2,02,546
Repossessed loans	31,252	94,666
	20,07,115	**19,21,511**
Less: Impairment loss allowance	(81,965)	(56,137)
	19,25,150	**18,65,374**

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 (ICV, LCV, MCV, MUV, Buses)
- Heavy commercial vehicles
- Small ommercial vehicles
- Two wheeler loan
- Tipper
- Tractor
- Car
- Construction equipments
- Three wheeler loan
- Loan against property
- Investments
- Term Loans

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 probablity is low. ECL is calculated based on the following components:

a. Probablity of default ("PD")
b. Loss given default ("LGD")
c. Exposure at default ("EAD")
d. Discount factor ("D")

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.

For computation of probability of default ("PD"), Through the Cycle (TTC), PD was calculated based on average of Observed Default Rates (ODRs) using transition matrix approach. This is based on the delinquency status of accounts tracked at a time horizon of one year, the yearly migration of borrowers in each DPD Bucket to default. (NPA or greater than 90 DPD). The model rolls this behavior forward until all receivables are either paid or written off or closed. The output of the model is the probability of an account in each state rolling to Closure stated as a %.

The transition matrix was calculated for each historical year and TTC PD was calculated as average of ODR. The PDs for each bucket was calibrated to form an exponential PD curve.

As per Vasicek[1] model, given long term PD and current macroeconomic conditions, conditional PD corresponding to current macroeconomic condition is estimated.

The probability of default was calculated for 3 scenarios: upside (15%), downside (15%) and base (70%). This weightage has been decided on best practices and expert judgement. Marginal conditional probability was calculated for all 3 possible scenarios and one conditional PD was arrived as conditional weighted probability.

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.

ECL computation

Conditional ECL at DPD pool level was computed with the following method:

Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

Stage	Provisions	As at 31st March 2021	As at 31st March 2020
Stage 1	12 month provision	0.24%	0.47%
Stage 2	Life time provision	2.27%	0.25%
Stage 3	Life time provision	49.57%	38.43%
Amount of expected credit loss provided for		**81,965**	**88,835**

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Company's view of economic conditions over the expected lives of the loan receivables. Movement in provision of expected credit loss has been provided in below note.

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

INR in Lakhs

Particulars	As at 31st March 2021				As at 31st March 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Revised Stage 3	Total
Gross carrying amount opening balance	**13,70,664**	**3,30,189**	**2,12,138**	**19,12,991**	**13,91,831**	**2,27,779**	**1,19,042**	**17,38,652**
Assets derecognised or repaid (including write offs)	(3,92,681)	(67,378)	(86,033)	**(5,46,092)**	(5,20,184)	(76,978)	(16,606)	**(613,768)**
Transfers from Stage 1 **	(1,03,893)	1,91,886	12,106	**1,00,100**	(3,11,648)	1,90,746	48,626	**(72,276)**
Transfers from Stage 2 **	93,907	(1,08,256)	21,023	**6,674**	21,427	(95,003)	38,671	**(34,905)**
Transfers from Stage 3 **	861	2,213	(3,074)	-	932	3,367	17,027	**21,327**
Amounts written off	-	-	(15,153)	**(15,153)**	-	-	-	-
New assets originated*	5,35,128	13,054	414	**5,48,595**	7,88,306	80,278	5,378	**8,73,961**
Repossessed assets (net)	-	-	-	-	-	-	-	
Gross carrying amount closing balance	**15,03,985**	**3,61,708**	**1,41,422**	**20,07,115**	**13,70,664**	**3,30,189**	**2,12,138**	**19,12,991**

* 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	As at 31st March 2021				As at 31st March 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Revised Stage 3	Total
ECL allowance - opening balance	**6,499**	**809**	**81,528**	**88,835**	**3,434**	**1,159**	**45,376**	**49,969**
Assets derecognised or repaid (excluding write offs)	5,726	9,567	(24,340)	(9,047)	(1,283)	(392)	(6,330)	(8,005)
Transfers from Stage 1	(11,413)	4,735	5,169	(1,508)	(748)	467	19,584	19,303
Transfers from Stage 2	180	(7,278)	7,921	823	101	(483)	14,148	13,766
Transfers from Stage 3	1	46	(47)	0	4	8	5,168	5,181
New assets originated and incremental charge during the year	1,136	349	15,021	16,506	4,537	283	8,596	13,415
Write offs during the year	-	-	(15,152)	(15,152)	-	-	(760)	(760)
Restructured assets	1,508	-	-	1,508	-	-	-	-
Transfer to OCI	-	-	-	-	454	(233)	(4,254)	(4,034)
Closing provision of ECL	**3,637**	**8,228**	**70,100**	**81,965**	**6,499**	**809**	**81,528**	**88,853**

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 collatral 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 INR 1,475 lakhs 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 2021	Contractual cash flows				
	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade payables	1,722	1,722	-	-	-
Borrowings	14,73,354	6,17,228	6,97,706	1,54,420	4,000
Debt securities	1,31,803	63,544	68,259	-	-
Subordinated liabilities	1,35,163	21,137	31,982	64,715	17,329
Other financial liabilities	45,051	40,669	4,220	-	162
Total	**17,87,093**	**7,44,300**	**8,02,167**	**2,19,135**	**21,491**
Financial assets					
Cash and cash equivalents	80,838	80,838	-	-	-
Bank balances other than (a) above	5,585	5,585	-	-	-
Loans	19,25,150	6,06,577	9,05,964	2,71,377	1,41,232
Investments	98,707	10,545	26,714	14,313	47,135
Other financial assets	59,436	45,591	13,253	-	592
Total	**21,69,716**	**7,49,136**	**9,45,931**	**2,85,690**	**1,88,959**

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 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	
Other financial liabilities	42,333	36,606	4,972	275	480
Total	**17,42,971**	**6,47,045**	**8,29,959**	**2,65,034**	**933**
Financial assets					
Cash and cash equivalents	82,879	82,879	-	-	-
Bank balances other than (a) above	14,610	14,610	-	-	-
Loans	18,24,156	7,57,798	6,96,680	1,94,374	1,75,304
Investments	77,684	17,681	28,382	9,573	22,048
Other financial assets	58,880	22,790	26,731	8,782	577
Total	**20,58,209**	**8,95,758**	**7,51,793**	**2,12,729**	**1,97,929**

(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 March 2021		For the Year ended 31st March 2020	
	25 bps increase	25 bps decrease	25 bps increase	25 bps decrease
Change in interest rates				
Floating rate borrowings				
Floating rate loans				
Impact on profit for the year	(2,776)	2,776	(2,923)	2,923

45 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.

46 The COVID -19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The standalone financial results, includes the potential impact of the COVID-19 pandemic on the Company's standalone financial results which are dependent 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 and its subsequent impact on the recoverability's on the Company's assets.

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 all information available upto the date of approval of these standalone financial results. Accordingly, the Company has made provision for expected credit loss on financial assets 31st as at March, 2021. 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 further impact the Company's standalone financial 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 standalone financial results and the Company will continue to closely monitor any material changes to future economic conditions.

47 Subsequent events

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

48 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, 2021.

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 / London
Date : 3rd June, 2021

Annexures forming part of Standalone Financial Statements for the year ended 31st March, 2021

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 March 2021	As at 31st March 2020
CRAR %	17.98%	17.25%
CRAR - Tier I Capital %	15.30%	14.44%
CRAR - Tier II Capital %	2.68%	2.81%
Amount of subordinated debt raised as Tier II Capital (INR In Lakh)	22,500	Nil
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. Expected credit Loss (ECL) provision on Stage 1 is considered as contingency provision for the purposes of Tier II Capital.

b. ECL provision with respect to stage 1 assets has been netted off in determination of risk weighted assets.

B. Investments

INR in Lakhs

S. No.	Particulars	As at 31st March 2021	As at 31st March 2020
1	**Value of investment**		
	(i) Gross value of investment		
	(a) In India	98,707	77,684
	(b) Outside India	Nil	Nil
	(ii) Provision for depreciation		
	(a) In India	Nil	-
	(b) Outside India	Nil	Nil
	(iii) Net Value of Investment		
	(a) In India	98,707	77,684
	(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

The company has fully hedged all its foreign currency borrowing at the time of drawl of each loan. Hence there is no risk to the company on account of derivatives or mimatch in currency.

D. Disclosures relating to securitisation

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

INR in Lakhs

S. No.	Particulars	As at 31st March 2021	As at 31st March 2020
1	No of SPVs sponsored for securitisation transactions	2	5
2	Total amount of securitised assets as per the books of the SPVs sponsored	24,635	51,133
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	2,326	12,287
	- Others	-	505
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposure		
	i) Exposure to own securitisation		
	- First loss *	-	-
	- Others	3,124	4,558
	ii) Exposure to third party securitisation		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisation		
	- First loss	-	-
	- Others	-	5,804
	ii) Exposure to third party securitisation		
	- First loss	-	-
	- Others	35,470	41,425

Note: The above are inclusive of the securitisation transactions which have not been de-recognised in the books of account in accordance with IndAS 109. The securitisation amount for which bank guarantee given Rs 3,124 lakh was closed during the financial year 2020-2021, accordingly this BG will be closed in FY 2021-22.

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

The Company has 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 March 2021	As at 31st March 2020
Number of accounts	6,769	30,464
Aggregate value (net of provisions) of accounts sold	1,28,783	4,08,165
Aggregate consideration	1,28,783	4,08,165
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, 2021 and 31st March, 2020.

ii) Details of non-performing financial assets sold

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Number of accounts sold	19,585	Nil
Aggregate outstanding, net of provisions	24,575	Nil
Aggregate consideration received	24,575	Nil

Note: The Company has 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 March 2021	As at 31st March 2020
Backed by non-performing assets sold by the Company as underlying	20,889	Nil
Backed by non-performing assets sold by other banks / financial institutions / nonbanking financial companies as underlying	Nil	Nil
Total book value of investments in security receipts	20,889	Nil

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

As at 31^{st} March, 2021

INR in Lakhs

Particulars	Upto 30/31 days	Over 1 month & upto 2 months	Over 2 months & upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances *	46,910	57,610	67,063	1,38,829	2,93,591	8,63,132	2,57,812	1,22,969	18,47,916
Investment	1,614	1,013	-	1,975	5,944	26,714	14,312	47,135	98,707
Borrowings	55,906	38,933	93,971	1,31,390	3,81,709	7,97,947	2,19,135	21,329	17,40,320
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 INR 28,009 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 INR 93,294 lakhs

- excludes unamortised component of loan origination cost/income (net) amounting to INR 11,949 lakhs

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, 2020

INR in Lakhs

Particulars	Upto 30/31 days	Over 1 month & upto 2 months	Over 2 months & upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances#	98,962	71,481	76,290	1,31,494	3,93,724	7,30,460	1,94,374	1,75,304	18,72,089
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 INR 85,799 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 INR 30,028

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

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 March 2021	As at 31st March 2020
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 INR 15 lakh may be shown separately)	2,01,124	2,12,405
(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	45,147	82,554
(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)	11,604	12,652

2 Exposure to capital market

INR in Lakhs

	Particulars	As at 31st March 2021	As at 31st March 2020
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;	25,309	19,002
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 / 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	**25,309**	**19,002**

G. Details of financing of parent company products

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Loan outstanding as at year end out of the amount financed to parent company products (i)	5,44,022	4,95,792
Company portfolio (ii)	19,75,863	18,26,845
Percentage of financing for parent product upon Company's portfolio ((i) / (ii))	27.53%	27.14%

Note:

i) Company portfolio is gross of impairment loss allowance.

ii) 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, 2021 and 31st March, 2020.

I. Unsecured advances

INR in Lakhs

	As at 31st March 2021	As at 31st March 2020
a) Unsecured advances	28,009	29,660
b) The Company has not granted any advances against intangible securities (31st March, 2020: Nil).		

Note:

1. Previous year balances have been reported on the basis of the Ind AS financial statements.
2. Unsecured advances includes 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 22nd March, 2010
NBFC-AFC – Regularization	Reserve Bank Of India	DNBS.Che/2165/ 13.27.068/2013-14 dated 12th 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, 2021 and 31st March, 2020.

L. Related Party Transactions

Refer Note 39 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-	AA-
Date of rating	8-Jan-21	30-Sep-20	12-Oct-20

During the six months period ended 31st March, 2021, AA- rating were assigned by India Rating for bank facilities.

N. Remuneration of Directors

Refer Note 38 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 March 2021	Year ended 31st March 2020
Provision for depreciation on investment	-	-
Provision towards expected credit loss	21,331	11,575
Provision made towards income tax	8,142	14,706
Other provisions and contingencies	-	-

P. Draw down from reserves

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
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 March 2021	As at 31st March 2020
1	**Concentration of advances**		
	Total advances to twenty largest borrowers	65,033	77,659
	Percentage of Advances to twenty largest borrowers to Total Advances ** of the NBFC	3.24%	4.25%
2	**Concentration of exposures**		
	Total Exposure to twenty largest borrowers / customers	1,24,849	1,14,898
	Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	6.22%	6.29%
3	**Concentration of stage 3 assets**		
	Total exposure to top four stage 3 assets	6,482	3,125

* 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

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Agriculture & allied activities	3.90%	7.04%
MSME	5.33%	8.33%
Corporate borrowers **	Nil	Nil
Services	Nil	Nil
Unsecured personal loans	Nil	Nil
Auto loans	7.42%	8.77%
Other personal loans	Nil	Nil

** corporate borrowers is included in the respective sector

T. Comparison between ECL as per books and RBI provision

1 Comparison between ECL as per books and RBI provision calculated as per the IRACP norms for 2020-21 are as follows:

Asset Classification as per RBI Norms	Asset Classification as per INDAS	Gross Carrying amount as per INDAS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (6)
Performing assets						
Standard	Stage 1	15,37,838	3,637	15,34,201	6,151	(2,514)
	Stage 2	3,61,708	8,228	3,53,480	1,447	6,781
Subtotal - Standard		**18,99,546**	**11,865**	**18,87,681**	**7,598**	**4,267**
Non performing assets						
Substandard - NPA	Stage 3	17,148	8,108	9,040	1,715	6,393
Substandard - Repo	Stage 3	16,393	7,719	8,674	1,639	6,080
Subtotal - Substandard		**33,541**	**15,827**	**17,714**	**3,354**	**12,473**
Doubtful - upto 1 year - NPA	Stage 3	20,474	9,767	10,707	5,418	4,349
Doubtful - upto 1 year - Repo	Stage 3	6,317	2,512	3,805	1,799	713
1 to 3 years - NPA	Stage 3	32,350	15,187	17,163	11,985	3,202
1 to 3 years - Repo	Stage 3	7,822	2,968	4,854	3,095	(127)
More than 3 years - NPA	Stage 3	40,198	23,540	16,657	25,070	(1,529)
More than 3 years - Repo	Stage 3	720	299	421	509	(210)
Subtotal – Doubtful		**1,07,881**	**54,273**	**53,608**	**47,876**	**6,397**
Loss assets	Stage 3	-	-	-	-	-
Subtotal - NPA		**1,41,422**	**70,100**	**71,322**	**51,230**	**18,870**
Total	Stage 1	15,37,838	3,637	15,34,201	6,151	(2,514)
	Stage 2	3,61,708	8,228	3,53,480	1,447	6,781
	Stage 3	1,41,422	70,100	71,322	51,230	18,870
	Total	**20,40,968**	**81,965**	**19,59,002**	**58,828**	**23,137**

2 Comparison between ECL as per books and RBI provision calculated as per the IRACP norms for 2019-20 are as follows:

Asset Classification as per RBI Norms	Asset Classification as per INDAS	Gross Carrying amount as per INDAS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (6)
Performing assets						
Standard	Stage 1	14,01,831	6,499	13,95,332	5,607	892
	Stage 2	3,30,189	809	3,29,381	1,321	(512)
Subtotal - Standard		**17,32,020**	**7,308**	**17,24,712**	**6,928**	**380**
Non performing assets						
Substandard - NPA	Stage 3	36,024	11,174	24,850	4,241	6,933
Substandard - Repo	Stage 3	70,899	25,224	45,675	6,452	18,772
Subtotal - Substandard		**1,06,923**	**36,398**	**70,525**	**10,693**	**25,705**
Doubtful - upto 1 year - NPA	Stage 3	26,820	11,760	15,060	6,896	4,864
Doubtful - upto 1 year - Repo	Stage 3	20,362	7,071	13,291	3,706	3,365
1 to 3 years - NPA	Stage 3	33,492	14,808	18,684	13,028	1,780
1 to 3 years - Repo	Stage 3	3,125	1,089	2,036	853	236
More than 3 years - NPA	Stage 3	21,135	10,299	10,836	13,118	(2,819)
More than 3 years - Repo	Stage 3	280	102	178	127	(25)
Subtotal – Doubtful	**Stage 3**	**1,05,215**	**45,130**	**60,085**	**37,728**	**7,401**
Loss assets	Stage 3	-	-	-	-	-
Subtotal - NPA		**2,12,138**	**81,528**	**1,30,610**	**48,421**	**33,107**
Total	Stage 1	14,01,831	6,499	13,95,332	5,607	892
	Stage 2	3,30,189	809	3,29,381	1,321	(512)
	Stage 3	2,12,138	81,528	1,30,610	48,421	33,107
	Total	**19,44,158**	**88,836**	**18,55,323**	**55,349**	**33,487**

U. Movement of Stage 3 assets

1 Movement of Stage 3 assets (excluding repossessed assets):

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
(i) Net Stage 3 assets to Net Advances (%)		
(a) On total asset under management (refer note 1)	2.00%	2.67%
(b) On own book asset (refer note 2 & 3)	2.74%	3.85%
(ii) Movement of Stage 3 assets (Gross)		
(a) Opening balance	1,17,472	1,19,042
(b) Additions during the year	18,144	32,580
(c) Reductions during the year	25,446	34,150
(d) Closing balance	**1,10,170**	**1,17,472**
(iii) Movement of Net Stage 3 assets		
(a) Opening balance	69,430	73,666
(b) Additions during the year	1,312	11,539
(c) Reductions during the year	17,176	15,775
(d) Closing balance	**53,566**	**69,430**
(iv) Movement of provisions for Stage 3 assets (excluding provisions on stage 1 and 2 assets)		
(a) Opening balance	48,042	45,376
(b) Provisions made during the year	16,832	21,041
(c) Write-off / write-back of excess provisions	8,270	18,375
(d) Closing balance	**56,604**	**48,042**

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, 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, NPAs include Stage 3 assets as per the ECL model of the company.
3. For the purpose of the Net NPAs to Net Advances % on own book asset, Net advances include retail loans, corporate term loans, inter-corporate deposits, dealer trade advances, unquoted investment in debentures.

2 Movement of Stage 3 assets (including repossessed assets):

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
(i) Net Stage 3 assets to Net Advances (%)		
(a) On total asset under management (refer note 1)	2.68%	5.10%
(b) On own book asset (refer note 2 & 3)	3.62%	7.01%
(ii) Movement of Stage 3 assets (Gross)		
(a) Opening balance	2,12,138	1,19,042
(b) Additions during the year	33,543	92,675
(c) Reductions during the year	1,04,260	(421)
(d) Closing balance	**1,41,422**	**2,12,138**
(iii) Movement of Net Stage 3 assets		
(a) Opening balance	1,30,611	73,666
(b) Additions during the year	29,818	55,763
(c) Reductions during the year	89,107	(1,182)
(d) Closing balance	**71,321**	**1,30,611**
(iv) Movement of provisions for Stage 3 assets (excluding provisions on stage 1 and 2 assets)		
(a) Opening balance	81,528	45,376
(b) Provisions made during the year	3,725	36,912
(c) Write-off / write-back of excess provisions	15,152	760
(d) Closing balance	**70,100**	**81,528**

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, repossessed loans, corporate term loans, inter-corporate deposits, fixed deposits, 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, NPAs include Stage 3 assets as per the ECL model of the company and repossessed loans.
3. For the purpose of the Net NPAs to Net Advances % on own book asset, Net advances include retail loans, repossessed loans, corporate term loans, inter-corporate deposits, dealer trade advances, unquoted investment in debentures.

V. Disclosure on one-time restructuring

Type of borrower	Number of accounts where resolution plan has been implemented under this window	exposure to accounts mentioned at (A) before implementation of the plan	Of (B), aggregate amount of debt that was converted into other securities	Additional funding sanctioned, if any, including between invocation of the plan and implementation	Increase in provisions on account of the implementation of the resolution plan
	(A)	(B)	(C)	(D)	(E)
Personal Loans	-	-	-	-	-
Corporate persons	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others*	2,093	38,961	33,160	-	1,508
Total	2,093	38,961	33,160	-	1,508

*includes direct assignment also

W. Liquidity coverage ratio (LCR)

INR in Lakhs

S. No.	Liquidity Coverage Ratio (LCR)	Q3 FY21 -Avg	Q4 FY21 -Avg
1	**Total High Quality Liquid Assets**	48,630	56,051
	Cash outflows		
2	Deposits (for deposit taking companies)	-	-
3	Unsecured wholesale funding	-	-
4	Secured wholesale funding	-	-
5	Additional requirements, of which	-	-
	Outflows related to derivative exposures and other collateral requirements	-	-
	Outflows related to loss of funding on debt products	-	-
	Credit and liquid facilities	-	-
6	Other contractual funding obligations	83,260	92,908
7	Other contingent funding obligations	3,805	3,667
8	**Total Cash outflows**	**87,065**	**96,575**
	Cash inflows		
9	Secured lending	-	-
10	Inflows from fully performing exposures	72,124	72,294
11	Other cash inflows	58,125	58,125
12	**Total Cash inflows**	**1,30,249**	**1,30,419**
13	Total High Quality Liquid Assets	48,630	56,051
14	Total Cash inflows	21,766	24,144
15	**Liquidity coverage ratio (%)**	**223%**	**232%**

X. 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, 2021 and 31st March, 2020 and hence this disclosure is not applicable.

Y. 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, 2021 and 31st March, 2020.

Z. Customer complaints*

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
No. of complaints pending at the beginning of the year	818	353
No. of complaints received during the year	5,004	4,954
No. of complaints redressed during the year	5,663	4,489
No. of complaints pending at the end of the year	159	818

* As per the records of the Company

AA. 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	1	1	18	135	2	232
Staff and Outsiders	-	-	-	-	4	3,661
Total	**1**	**1**	**18**	**135**	**6**	**3,893**
Type of fraud						
Misappropriation and criminal breach of trust	1	1	18	135	6	3,893
Cheating and forgery	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	**1**	**1**	**18**	**135**	**6**	**3,893**

Note: Based on the filings made by the Company with the Reserve Bank of India. Out of above fraud, the company had recovered INR 2,221 lakh till date.

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 / London
Date : 3rd June, 2021

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 March 2021	31st March 2020	31st March 2021	31st March 2020
1 Liabilities: Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid				
(a) Debentures				
- Secured	1,31,803	88,300	Nil	Nil
- Unsecured	Nil	Nil	Nil	Nil
(b) Subordinated liabilities	1,35,163	1,31,588	Nil	Nil
(c) Deferred credits	Nil	Nil	Nil	Nil
(d) Term loans	14,18,419	14,31,955	Nil	Nil
(e) Inter-corporate loans and borrowings	Nil	Nil	Nil	Nil
(f) Public deposits	Nil	Nil	Nil	Nil
(g) Commercial paper	Nil	0	Nil	Nil
(h) Other loans (Represents cash credits and working capital demand loans from banks)	54,935	46,838	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 March 2021	31st March 2020
3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]		
(a) Secured	20,10,160	18,19,832
(b) Unsecured	33,853	29,660
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)	17,754	61,180
(b) Loans other than (a) above	20,26,259	17,88,312

INR in Lakhs

Particulars	Amount Outstanding as at	
	31st March 2021	31st March 2020
5 Breakup of investments		
Current Investments		
I Quoted:		
(i) Shares:		
(a) Equity	3,807	Nil
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	1,500	7,750
(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	3,907	1,007
(iii) Units of Mutual Fund	Nil	Nil
(iv) Government Securities	Nil	Nil
(v) Others (Pass through securities)	8,545	8,000
Long term investments		
I Quoted:		
(i) Shares:		
(a) Equity	Nil	Nil
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	1,288	500
(iii) Units of Mutual Funds	Nil	Nil
(iv) Government Securities	Nil	Nil
(v) Others (Please Specify)	Nil	Nil
II Unquoted:		
(i) Shares:		
(a) Equity	21,502	19,002
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	2,195	Nil
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	Nil	Nil
(v) Others (Pass through securities and security receipts)	55,964	41,425

6 Borrower group-wise classification of assets financed as in (3) and (4) above

INR in Lakhs

Category	As at 31st March 2021			As at 31st March 2020		
	Secured	Unsecured	Total	Secured	Unsecured	Total
a. Related parties						
(i) Subsidiaries	-	-	-	-	-	-
(ii) Companies in the same group	-	-	-	-	-	-
(iii) Other related parties	-	-	-	-	-	-
b. Other than related parties	20,44,013	-	20,44,013	18,49,492	-	18,49,492
Total	**20,44,013**	**-**	**20,44,013**	**18,49,492**	**-**	**18,49,492**

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 March 2021		As at 31st March 2020	
	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	21,500	21,500	19,000	19,000
(b) Companies in the same group	2	2	2	2
(c) Other Related Parties	-	-	-	-
2 Other than Related Parties	77,205	77,205	58,682	58,682
Total	**98,707**	**98,707**	**77,684**	**77,684**

8 Other Information

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
(i) Gross Stage 3 assets		
a) Related Parties	Nil	Nil
b) Other than related parties (including repossessed loans)	1,41,422	2,12,138
c) Other than related parties (excluding repossessed loans)	1,10,170	1,17,472
(ii) Net Stage 3 assets		
a) Related Parties	Nil	Nil
b) Other than related parties (including repossessed loans)	71,321	130,611
c) Other than related parties (excluding repossessed loans)	53,566	69,430
(iii) Assets Acquired in satisfaction of Debt	-	-

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 / London
Date : 3rd June, 2021

Consolidated Financial Statements

INDEPENDENT AUDITORS' 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, 2021, 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, 2021 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 48 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	Auditor's Response
1. Impairment of Financial Assets Management estimates impairment provision using Expected Credit loss (ECL) model for the loan exposure. Recognition and measurement of impairment of loans involve significant management judgement. The Group's impairment allowance is derived from estimates including the historical default and loss ratios. Collective impairment allowances are calculated using ECL model which approximate credit conditions on homogenous portfolios of loans.	**Principal audit procedures performed:** Our audit procedures in relation to expected credit losses were focused on obtaining sufficient appropriate audit evidence as to whether the expected credit losses recognised in the financial statements were reasonable and the related disclosures in the financial statements made by the management were adequate. These procedures included, but not limited, to the following: • We examined Board Policy approving the methodology for computation of ECL that address policies, procedures and

Key Audit Matters	Auditor's Response
During the year, the Group has made additional provisions after evaluating the extent to which COVID-19 pandemic may impact its overall operations and performance. Given the uncertainty over the future economic conditions, these additional provisions also involve significant management estimates/ judgements. Further, the disclosures made in the financial statements for ECL especially in relation to judgements and estimates by the Management in determination of the ECL involve increased level of audit focus. The aforesaid involves significant management estimates/ judgements and hence identified as Key Audit Matter.	controls for assessing and measuring credit risk on all lending exposures, commensurate with the size, complexity and risk profile specific to the Group. • We obtained an understanding of the model adopted by the Group for calculation of expected credit losses including how management calculated the expected credit losses and the appropriateness of the data on which the calculation is based and tested the management controls for it. • We evaluated the design and operating effectiveness of controls across the processes relevant to ECL. These controls, among others, included controls over the allocation of assets into stages including management's monitoring of model validation and production of journal entries and disclosures. • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of 31st March 2021 by reconciling it with the balances as per loan balance register and loan commitment report as on that date. • 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. • 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 Group'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.
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 Parent's assets. The valuation of the Parent'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.	Our audit procedures in relation to fair valuation of financial instruments were focused on obtaining sufficient appropriate audit evidence as to whether the fair valuation of financial instruments recognised in the financial statements were reasonable and the related disclosures in the standalone financial statements made by the management were adequate. These procedures included, but not limited, to the following: • Obtain an understanding of the fair valuation methodology and • Testing the design and operating effectiveness of controls over (1) the management's methodology for determining Fair Value, including consideration of the current and estimated future economic conditions (2) the completeness and accuracy of information used in determining Fair Value.

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. 2,749 lakh as at 31st March, 2021, total revenues of Rs. 12,996 lakh and net cash inflows amounting to Rs. 45 lakh 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. 90 lakh for the year ended 31st March, 2021, 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.

Report on Other Legal and Regulatory Requirements

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, subsidiary, associate 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 and associate company incorporated in India, none of the directors of the Group and its associate company incorporated in India is disqualified as on 31st March, 2021 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 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 37 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: 21109839AAAAGU1863

Place : Mumbai
Date : 3rd June, 2021

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, 2021, we have audited the internal financial controls over financial reporting of Hinduja Leyland Finance Limited (hereinafter referred to as "the Parent") and its subsidiary company, 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 company 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 (the "Guidance Note"). 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 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 31st March, 2021, 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: 21109839AAAAGU1863

Place : Mumbai
Date : 3rd June, 2021

Consolidated Balance Sheet as at 31st March, 2021

INR in Lakhs

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
ASSETS			
Financial assets			
Cash and cash equivalents	6	81,871	84,269
Bank balance other than cash and cash equivalents	7	5,585	14,610
Receivables			
(i) Trade receivables		-	-
(ii) Other receivables		-	-
Loans	8	21,69,911	19,86,331
Investments	9	81,951	63,340
Other financial assets	10	61,650	59,356
		24,00,968	**22,07,906**
Non-financial assets			
Current tax assets (net)		5,952	7,604
Property, plant and equipment	11	8,564	5,156
Capital work-in-progress		38	116
Other intangible assets	11A	74	63
Right of use assets	11B	2,632	2,650
Other non-financial assets	12	5,780	2,971
		23,040	**18,560**
Total assets		**24,24,008**	**22,26,466**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
Trade payables	13		
(i) dues of micro enterprises and small enterprises		-	-
(ii) dues other than micro enterprises and small enterprises		1,987	2,139
Debt securities	14	1,31,803	88,300
Borrowings (other than debt securities)	15	16,89,769	16,21,015
Subordinated liabilities	16	1,35,163	1,31,588
Other financial liabilities	17	45,820	42,625
		20,04,542	**18,85,667**
Non-financial liabilities			
Provisions	18	540	402
Deferred tax liabilities (net)	32	21,430	7,359
Other non-financial liabilities	19	780	546
		22,750	**8,307**
EQUITY			
Equity share capital	20	46,978	46,975
Other equity	21	3,49,738	2,85,517
		3,96,716	**3,32,492**
Total Liabilities and Equity		**24,24,008**	**22,26,466**

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

G.K.Subramaniam
Partner

Place : Mumbai
Date : 3rd June, 2021

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 / London
Date : 3rd June, 2021

Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

INR in Lakhs

Particulars	Note No.	Year ended 31st March 2021	Year ended 31st March 2020
Revenue from operations			
Interest income	22	2,73,806	2,86,810
Fees and commission income	23	3,832	5,465
Net gain on fair value changes		3,542	-
Net gain on derecognition of financial instruments	24	20,081	18,751
Total revenue from operations		**3,01,261**	**3,11,026**
Other Income	25	4,069	2,615
Total revenue		**3,05,330**	**3,13,641**
Expenses			
Finance costs	26	1,56,551	1,66,545
Fees and commission expense	27	3,778	8,722
Impairment on financial instruments	28	75,287	63,034
Employee benefits expenses	29	16,838	15,978
Depreciation, amortization and impairment	30	1,964	1,161
Others expenses	31	7,688	10,183
Total expenses		**2,62,106**	**2,65,623**
Profit before share of profit of equity accounted investee and income tax		**43,224**	**48,018**
Share of profit of equity accounted investee (net of income tax)		90	65
Profit before tax		**43,314**	**48,083**
Tax expense:			
Current tax		12,617	12,235
Deferred tax	32	(2,018)	3,127
Tax pertaining to earlier years		(623)	-
		9,976	**15,362**
Net profit for the year		**33,338**	**32,721**
Other comprehensive income			
(A) (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(15)	(85)
(ii) Income tax relating to items that will not be reclassified to profit or loss		6	(68)
(B) (i) Items that will be reclassified to profit or loss			
(i) Fair value (loss)/gain on financial assets carried at Fair Value Through Other Comprehensive Income (FVTOCI)		40,818	26,482
(ii) Income tax relating to items that will be reclassified to profit or loss		(10,274)	(3,326)
Total other comprehensive income		**30,535**	**23,003**
Total comprehensive income		**63,873**	**55,724**
Earnings per equity share (face value Rs.10 each)	33		
- Basic (in Rs.)		7.10	6.97
- Diluted (in Rs.)		7.09	6.96

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

G.K.Subramaniam
Partner

Place : Mumbai
Date : 3rd June, 2021

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 / London
Date : 3rd June, 2021

Consolidated cash flow statement for the year ended 31st March, 2021

INR in Lakhs

Particulars		Year ended 31st March 2021	Year ended 31st March 2020
A. Cash flow from operating activities			
Net profit before tax		**43,314**	**48,083**
Adjustments:			
Depreciation and amortization		1,964	1,161
Provision for employee benefits		123	150
Provision for expected credit loss and amounts written off		72,296	60,883
Impairment loss on other receivables		2,991	2,151
Share based payment		336	-
Amortisation of discount on commercial papers		307	7,788
Amortisation of ancillary costs relating to borrowings		1,831	2,168
Operating cash flow before working capital changes		**1,23,162**	**1,22,384**
Adjustments for (Increase) / Decrease in operating assets:			
Trade Receivables		-	-
Other receivables		(2,991)	(9,060)
Loans		(2,15,061)	(1,48,031)
Other financial assets		(2,294)	46,947
Other non- financial assets		(2,809)	(1,411)
Adjustments for Increase / (Decrease) in operating Liabilities:			
Trade payables		(152)	1,782
Other financial liabilities		3,195	(2,733)
Other non financial liabilities		234	(117)
Net cash (used in) operations		**(96,716)**	**9,761**
Taxes paid (net)		(4,519)	(12,377)
Net cash (used in) operating activities (A)		**(1,01,235)**	**(2,616)**
B. Cash flow from investing activities			
Investment in pass through securities (net)		(19,227)	23,559
Investment in redeemable non-convertible debentures (net)		616	33,126
Bank deposits (having original maturity of more than three months)		9,025	(2,770)
Purchase of fixed assets (tangible and intangible assets) including capital work-in-progress		(5,287)	(4,007)
Net cash (used in) investing activities (B)		**(14,873)**	**49,908**
C. Cash flow from financing activities			
Proceeds from issue of equity shares including securities premium (net)		15	44
Proceeds from borrowings		7,34,577	6,39,678
Repayments of borrowings		(6,42,786)	(5,15,234)
Proceeds from working capital loan / cash credit and commercial paper (net)		21,904	(1,12,865)
Net cash from financing activities (C)		**1,13,710**	**11,623**
Net increase in cash and cash equivalents (A+B+C)		(2,398)	58,915
Cash and cash equivalents at the beginning of the year		**84,269**	**25,354**
Cash and cash equivalents at the end of the year		**81,871**	**84,269**

INR in Lakhs

Particulars	Note No.	Year ended 31st March 2021	Year ended 31st March 2020
Components of cash and cash equivalents	**6**		
Cash and cheques on hand		27,460	5,983
Balances with banks		54,411	78,286
		81,871	**84,269**
Operational cash flows from interest and dividends			
Interest paid		1,52,156	1,62,243
Interest received		5,219	11,336

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

G.K.Subramaniam
Partner

Place : Mumbai
Date : 3rd June, 2021

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

Dheeraj G Hinduja
Chairman
DIN No : 00133410

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Managing Director & CEO
DIN No : 06400793

Kishore Kumar Lodha
Chief Financial Officer

B Shanmugasundaram
Company Secretary
Membership No: F5949

Place : Chennai / London
Date : 3rd June, 2021

Statement of Changes in Equity for the year ended 31st March, 2021

INR in Lakhs

Particulars	Number of shares	Amount
A Equity share capital		
Balance as at 1st April, 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**
Change in equity share capital during the year		
Add: Issued during the year	30,000	3
Balance as at 31st March, 2021	**46,97,82,490**	**46,978**

	Reserves and Surplus				Other items of other comprehensive income	Total
	Statutory reserves	Securities premium	Other reserves - Employee stock option outstanding account	Retained earnings		
B Other equity						
Balance as at 1st April, 2019	**24,240**	**96,211**	**293**	**86,336**	**22,677**	**2,29,757**
Share based expenses	-	-	-	-	-	-
Premium on issue of share capital	-	36	-	-	-	36
Profit for the year	-	-	-	32,721	-	32,721
Transfer to / from reserve	6,544	-	-	(6,544)	-	(0)
Other comprehensive income (net of tax)	-	-	-	-	23,003	23,003
Balance as at 31st March, 2020	**30,784**	**96,247**	**293**	**1,12,513**	**45,680**	**2,85,517**
Share based expenses	-	-	336	-	-	336
Premium on issue of share capital	-	12	-	-	-	12
Profit for the year	-	-	-	33,338	-	33,338
Transfer to / from reserve	6,668	397	(397)	(6,668)	-	-
Other comprehensive income (net of tax)	-	-	-	-	30,535	30,535
Balance as at 31st March, 2021	**37,452**	**96,656**	**232**	**1,39,183**	**76,215**	**3,49,738**

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

G.K.Subramaniam
Partner

Place : Mumbai
Date : 3rd June, 2021

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 / London
Date : 3rd June, 2021

Notes to consolidated financial statements for year ended 31st March, 2021

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

1 Reporting entity

Hinduja Leyland Finance Limited ('the Group'), incorporated on 12th November, 2008 and headquartered in Chennai, India is a Non Banking Finance Company engaged in providing asset finance. The Group 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 Group 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 Group 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 Group are listed below:

Name of the Group	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 Group is primarily engaged in the business of providing loans for the purchase or construction of residential houses.

The Group, 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 under historical cost convention on an accrual basis 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 Group's functional currency. All amounts have been rounded-off to the nearest lakhs, 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.

A historical cost is a measure of value used in accounting in which the price of an asset on the balance sheet is based on its nominal or original cost when acquired by the Group.

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 takes 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. 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 Share based Payment, leasing transactions that are within the scope of Ind AS 116 Leases.

Fair value measurements under Ind AS are categorised into fair value hierarchy 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 quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access on measurement date.

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

• Level 3 where unobservable inputs are used for the valuation of assets or liabilities.

2.5 Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with Indian Accounting Standards ("Ind AS") requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognised prospectively. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

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) 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.

iii) 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.

iv) Defined Benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

3 Principles and Particulars of Consolidation

The consolidated financial statements relate to Hinduja Leyland Finance (referred as "the Group" 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. 31st March, 2021.

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 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 is any 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 Income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

A. Interest income

Interest income on financial instruments is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate applicable.

Effective Interest Rate ("EIR")

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts.

Interest income/expenses is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets/liabilities (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses). If the financial asset cures and is no longer credit impaired, the Group reverts to calculating interest income on a gross basis.

B. Dividend income

Dividend income 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.

C. 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.

D. Fees and commission income

The Group recognises revenue from contract with customers based on five step model as set out in Ind AS 115, Revenue from Contracts with Customers to determine when to recognise revenue and at what amount.

Revenue is measured based on the consideration specified in the contract with a customers. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

If the consideration promised in a contract includes a variable amount, the group estimates the amount of consideration to which it will be entitled in exchange for rendering the promised services to a customer.

The amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

E. Income from transfer and servicing of Assets

The Group transfers loans through securitisation and direct assignment transactions. The transferred loans are de-recognised and gains/losses are accounted for, only if the Group transfers substantially all risks and rewards specified in the underlying assigned loan contract. In accordance with the Ind AS 109, on de-recognition of a financial asset under assigned transactions, the difference between the carrying amount and the consideration received are recognised in the Statement of Profit and Loss.

The Group recognises either a servicing asset or a servicing liability for servicing contract. If the fee to be received is not expected to compensate the Group adequately for performing the servicing activities, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing activities, a servicing asset is recognised.

Corresponding amount is recognised in Statement of Profit and Loss.

F. Other income

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

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 (AC)

ii) Fair value through other comprehensive income (FVOCI)

iii) Fair value through profit or loss (FVTPL)

4.3 Financial assets and liabilities

Solely payments of principal and interest (SPPI) test

As a second step of its classification process, the Group assesses the contractual terms of financials 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

A. Financial assets

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, 2021 and 31st March, 2020.

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:

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, whether scheduled by contract or otherwise, expected drawdowns on committed facilities after considering the credit conversion factor (for Stage 1 and Stage 2 assets), and accrued interest from missed payments.

PD:

Probability of Default (PD) is the probability of whether borrowers will default on their obligations which is calculated based on historical default rate summary of past years using origination vintage analysis.

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 EAD, PD 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 EAD, PDs 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 gain/loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

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

Loans and debt securities are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities could result in impairment gains.

4.9 Fair value

i) Fair value hierarchy

The Group uses the following hierarchy to determine the fair values of its financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There were no transfers between levels 1, 2 and 3 during the year.

The Group recognises transfers in and transfers out of fair value hierarchy levels as at the end of the reporting period.

ii) Valuation process

The management of the Group performs the valuations of financial assets and liabilities required for financial reporting purposes.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Valuation processes and Technique

Type of Instrument	Reference Price
Investment in Mutual Funds	NAV as on the reporting date.
Investment in Equity Shares	Quoted price on exchange as on the reporting date.

4.10 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.

4.11 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 statement of 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 (Yard)	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).

iv. Capital Work-in-progress

Capital work in progress includes assets not ready for the intended use and is carried at cost, comprising direct cost and related incidental expenses.

4.12 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 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.

4.13 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. The company revisits its estimate each year of the number of equity instruments expected to vesting.

4.14 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

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

4.15 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for;

b) Uncalled liability on shares and other investments partly paid;

c) Funding related commitment to associate; and

d) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

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.

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 17 “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. 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.

4.23 Securities premium

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares and issue expenses of securities which qualify as equity instruments.

4.24 Goods and Services Input Tax Credit

Goods and Services tax input credit is recognised for in the books in the period in which the supply of goods or service received is recognised and when there is no uncertainty in availing/utilising the credits.

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 2021	As at 31st March 2020
6 Cash and cash equivalents		
Cash on hand	7,545	1,318
Balances with banks	54,411	78,286
Cheques, drafts on hand	19,915	4,665
Total	**81,871**	**84,269**
7 Bank balance other than cash and cash equivalents		
Bank deposits	5,585	14,610
Total	**5,585**	**14,610**

Notes :

7.1. The bank deposits earn interest at fixed rates.

7.2. The Group has given fixed deposits as credit enhancement for securitisation transactions in the form of pass through certificates entered by it, amounting to INR 5,272 Lakh (31st March, 2020 : INR 14,336 Lakh) (Refer note 15)

8 Loans

INR in Lakhs

Particulars	As at 31st March 2021			As at 31st March 2020		
	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						
(I) Retail loans	10,04,931	10,52,585	20,57,516	10,61,341	6,98,932	17,60,273
Term Loans	1,65,980	-	1,65,980	2,21,799	-	2,21,799
	11,70,911	**10,52,585**	**22,23,496**	**12,83,140**	**6,98,932**	**19,82,072**
Less: Impairment loss allowance	(71,339)	-	(71,339)	(60,955)	4,034	(56,921)
Total (I)-Net	**10,99,572**	**10,52,585**	**21,52,157**	**12,22,185**	**7,02,966**	**19,25,151**
(II) Repossessed loans	31,252	-	31,252	94,666	-	94,666
	31,252	**-**	**31,252**	**94,666**	**-**	**94,666**
Less: Impairment loss allowance	(13,498)	-	(13,498)	(33,486)	-	(33,486)
Total (I)-Net	**17,754**	**-**	**17,754**	**61,180**	**-**	**61,180**
Total (I) and (II)	**11,17,326**	**10,52,585**	**21,69,911**	**12,83,365**	**7,02,966**	**19,86,331**
B. Based on Security						
(i) Secured by tangible assets	12,02,163	10,52,585	22,54,748	13,77,806	6,98,932	20,76,738
(ii) Unsecured	-	-	-	-	-	-
Total Gross Loans	**12,02,163**	**10,52,585**	**22,54,748**	**13,77,806**	**6,98,932**	**20,76,738**
Less:Impairment loss allowance	(84,837)	-	(84,837)	(94,441)	4,034	(90,407)
Total Net Loans	**11,17,326**	**10,52,585**	**21,69,911**	**12,83,365**	**7,02,966**	**19,86,331**
C. Based on region						
(I) Loans in India						
(i) Public Sector	-	-	-	-	-	-
(ii) Others	12,02,163	10,52,585	22,54,748	13,77,806	6,98,932	20,76,738
Total Gross	**12,02,163**	**10,52,585**	**22,54,748**	**13,77,806**	**6,98,932**	**20,76,738**
Less:Impairment loss allowance	(84,837)	-	(84,837)	(94,441)	4,034	(90,407)
Total (I)-Net	**11,17,326**	**10,52,585**	**21,69,911**	**12,83,365**	**7,02,966**	**19,86,331**
(II) Loans outside India						
Loans outside India	-	-	-	-	-	-
Total (I) and (II)	**11,17,326**	**10,52,585**	**21,69,911**	**12,83,365**	**7,02,966**	**19,86,331**

Notes :

1 Security details

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

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

2 The Group has derecognised certain financial assets on account of assignment without recourse. However, the group 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 2021	As at 31st March 2020
Carrying amount of the assets that represents the entity's continuing involvement in the derecognised financial assets	95,929	59,797
Carrying amount of the associated liabilities	-	-
Maximum exposure to loss from company's continuing involvement in the derecognised financial assets	95,929	59,797
Fair Value (FV) of assets of the assets that represents the entity's continuing involvement in the derecognised financial assets	1,05,259	64,287
Fair value of associated liabilities	-	-
Net position at FV	**1,05,259**	**64,287**
Gain or loss recognised at the date of transfer of the assets	**20,081**	**18,751**

9 Investments

at amortised cost

Investments in equity instruments of associate		
HLF Services Limited	357	266
Measured at fair value through profit and loss		
Investment in equity shares (quoted)		
Investment in equity shares	3,807	-
Measured at amortised cost		
Investment in debentures (quoted)		
Non-convertible redeemable debentures	3,045	7,750
Investment in debentures (unquoted)		
Non-convertible redeemable debentures	6,346	2,257
Investment in pass-through certificates (unquoted)		
Investment in pass-through certificates	38,372	45,072
Investment in security receipts (unquoted)		
Investment in security receipts	20,889	-
Investment in funds (unquoted)		
Investment in alternative investment funds	8,150	8,000
Investment in Alternative Investment Fund		
Vivriti samarath bond fund	1,001	-
Gross Investments	**81,967**	**63,345**
(i) Investments outside India		
(ii) Investments in India	81,967	63,345
Gross Investments	**81,967**	**63,345**
Less: Provision for diminution in value of investments	(16)	(5)
Total	**81,951**	**63,340**
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	355	264
Total	**357**	**266**
Aggregate market value of quoted investments	6,852	7,750

10 Other financial assets

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Receivables from related parties		
Dues from HLF Services Limited (Associate Company)	-	5,186
Dues from Gulf Ashley Motors Limited (Fellow Subsidiary)	-	-
Dealer trade advances (Unsecured, considered good)	28,009	29,660
Employee advances	83	105
Security deposits	575	557
Other receivables	4,492	1,308
Receivable from assigned loans	28,491	22,540
Total	**61,650**	**59,356**

11 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, 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**
Additions	3,935	-	-	146	6	-	8	39	4,134
Deletions	-	-	-	15	-	117	-	-	132
As at 31st March, 2021	**6,001**	**1,464**	**57**	**2,069**	**561**	**491**	**129**	**384**	**11,156**
Accumulated depreciation									
As at 1st April, 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**
Depreciation for the year	-	27	-	436	66	74	28	82	713
Deletion	-	-	-	7	-	112	-	-	119
As at 31st March, 2021	**-**	**212**	**35**	**1,364**	**279**	**315**	**102**	**285**	**2,592**
Carrying amount (net)									
As at 31st March, 2020	2,066	1,279	22	1,003	342	255	47	142	5,156
As at 31st March, 2021	**6,001**	**1,252**	**22**	**705**	**282**	**176**	**27**	**99**	**8,564**

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

11A Intangible assets

INR in Lakhs

Particulars	Computer Software	Total
As at 1st April, 2019	**62**	**62**
Additions	46	46
Deletions	-	-
As at 31st March, 2020	**108**	**108**
Additions	35	35
Deletions	-	-
As at 31st March, 2021	**143**	**143**
Accumulated depreciation		
As at 1st April, 2019	**30**	**30**
Depreciation for the year	15	15
Deletions	-	-
As at 31st March, 2020	**45**	**45**
Depreciation for the year	24	24
Deletions	-	-
As at 31st March, 2021	**69**	**69**
Carrying amount (net)		
As at 31st March, 2020	63	63
As at 31st March, 2021	**74**	**74**

11B 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**
Additions	1,210	1,210
Deletion	-	-
As at 31st March, 2021	**4,258**	**4,258**
Accumulated amortisation		
As at 1st April, 2019	-	-
Amortisation for the year	398	398
Deletion	-	-
As at 31st March, 2020	**398**	**398**
Amortisation for the year	1,228	1,228
Deletion	-	-
As at 31st March, 2021	**1,626**	**1,626**
Carrying amount (net)		
As at 31st March, 2020	2,650	2,650
As at 31st March, 2021	**2,632**	**2,632**

12 Other non-financial assets

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Prepaid expenses	3,189	1,695
Balance receivable from government authorities	2,591	1,276
Total	**5,780**	**2,971**

13 Payables

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
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	1,987	2,139
Total	**1,987**	**2,139**

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.

Particulars	As at 31st March 2021	As at 31st March 2020
(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

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Measured at amortised cost:		
Secured		
12,550 (31st March, 2020: 8,010) Redeemable non-convertible debentures (refer note 14.1 & 14.2)	1,31,803	88,300
Total (A)	**1,31,803**	**88,300**
Debt securities in India	1,31,803	88,300
Debt securities outside India	-	-
Total (B)	**1,31,803**	**88,300**
Total (A+B)	**1,31,803**	**88,300**

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 upto 110% as per the terms of issue.

14.2 Out of the debentures issued and outstanding:

a) 12,550 (31st March, 2020: 8,010) debentures were issued with a face value of Rs. 10,00,000/-. As at 31st March, 2021 these debentures carry interest rates ranging from 8.00% p.a. to 9.25% p.a. and the redemption period is ranging from 18 months to 3 years from the date of allotment.

The aforesaid debentures are listed at Bombay Stock Exchange.

15 Borrowings (Other than debt securities)

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Secured borrowings		
Term Loan from banks and financial institution (refer note 15.1, 15.2 & 15.3)	15,89,552	15,16,511
Pass through certificates (refer note 7.2)	24,635	51,133
Cash credit and working capital demand loans from banks (refer note 15.1)	75,582	53,371
Total	**16,89,769**	**16,21,015**
Borrowings in India	16,89,769	16,21,015
Borrowings outside India	-	-
Total	**16,89,769**	**16,21,015**
Total	**16,89,769**	**16,21,015**

15.1 Secured borrowing

Term loan, cash credit and working capital demand loans from banks and financial institutions are secured by pari passu charge on receivables other than those that are specifically charged to the lenders. The company generally gives exclusive charges. These facilities carry interest rates ranging from "MCLR of the respective bank" per annum to "MCLR of the respective bank + spread". The facilities may also carry interest linked with other benchmark like T-bill rates or Repo rates or other benchmark. As at 31st March, 2021, the rate of interest across the loans was in the range of 5.25% p.a to 9.43% p.a.

Refer Note 15.2 for details regarding terms of borrowings from banks for parent company. 'Refer Note 15.3 for details regarding terms of borrowings from banks for subsidiary company.

16 Subordinated liabilities

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Measured at amortised cost:		
Subordinated redeemable non-convertible debentures (refer 16.1)	1,27,663	1,24,088
Other sub-ordinated unsecured loans (refer note 16.2)	7,500	7,500
Total (A)	**1,35,163**	**1,31,588**
Subordinated Liabilities in India	1,35,163	1,31,588
Subordinated Liabilities outside India	-	-
Total (B)	**1,35,163**	**1,31,588**

16.1 Details relating to subordinated redeemable non-convertible debentures

12,100 (31st March, 2020: 11,750) debentures were issued with a face value of Rs. 10,00,000/-. These debentures carry interest rates ranging from 9.20% p.a. to 11.60% p.a. and the redemption period is 5 to 7 years.

The aforesaid debentures are listed at Bombay Stock Exchange.

16.2 Details relating to Other sub-ordinated unsecured loans

As at 31st March, 2021, the Unsecured subordinated loans carries interest rate is 11.31% p.a. and the redemption period is 5 years.

15.2 Details of terms of redemption/ repayment and security provided in respect of term loans of parent company:

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 1	1,663	Repayable in 1 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 2	8,750	Repayable in 7 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 3	10,000	Repayable in 8 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 4	30,000	Repayable in 12 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 5	9,500	Repayable in 2 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 6	13,200	Repayable in 5 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 7	30,000	Repayable in 16 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 8	50,000	Repayable in 16 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 9	50,000	Repayable in 16 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 10	13,333	Repayable in 8 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 11	25,000	Repayable in 10 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 12	2,667	Repayable in 12 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 13	12,500	Repayable in 5 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 14	21,875	Repayable in 7 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 15	604	Repayable in 1 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 16	21,875	Repayable in 7 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 17	37,500	Repayable in 15 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 18	42,107	Repayable in 16 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 19	13,499	Repayable in 9 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 20	16,874	Repayable in 9 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 21	15,554	Repayable in 14 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 22	28,125	Repayable in 15 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 23	6,250	Repayable in 10 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 24	6,142	Repayable in 52 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 25	2,500	Repayable in 1 Half yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 26	5,455	Repayable in 6 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 27	3,182	Repayable in 7 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 28	7,500	Repayable in 11 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 29	50,000	Repayable in 8 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 30	20,000	Repayable in 17 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 31	3,746	Repayable in 1 Half yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 32	28,125	Repayable in 15 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 33	1,250	Repayable in 1 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 34	18,748	Repayable in 10 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 35	28,115	Repayable in 15 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 36	13,731	Repayable in 2 Half yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 37	11,996	Repayable in 8 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 38	28,116	Repayable in 15 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 39	10,000	Repayable in 2 Half yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 40	25,000	Repayable in 5 Half yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 41	10,999	Repayable in 11 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 42	8,250	Repayable in 11 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 43	9,083	Repayable in 12 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 44	4,500	Repayable in 18 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 45	9,500	Repayable in 19 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 46	7,125	Repayable in 19 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 47	26,125	Repayable in 19 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 48	59,483	Repayable in 12 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 49	41,393	Repayable in 10 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 50	20,000	Repayable in 20 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 51	5,625	Repayable in 3 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 52	7,500	Repayable in 6 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 53	10,000	Repayable in 4 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 54	17,500	Repayable in 7 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 55	37,497	Repayable in 9 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 56	50,000	Repayable in 2 Half yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 57	25,000	Repayable in 4 Half yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 58	20,000	Repayable in 8 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 59	20,000	Repayable in 16 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 60	5,826	Repayable in 21 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 61	4,850	Repayable in 3 Yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 62	16,250	Repayable in 13 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 63	16,250	Repayable in 13 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 64	10,750	Repayable in 4 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 65	10,000	Repayable in 11 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 66	32,500	Repayable in 13 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 67	8,750	Repayable in 1 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 68	10,000	Repayable in 1 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 69	10,000	Repayable in 12 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 70	3,995	Repayable in 4 Yearly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 71	7,000	Repayable in 7 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 72	417	Repayable in 2 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 73	833	Repayable in 2 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 74	2,500	Repayable in 4 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 75	417	Repayable in 2 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 76	3,750	Repayable in 6 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 77	5,833	Repayable in 15 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 78	4,583	Repayable in 33 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 79	4,583	Repayable in 33 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 80	9,429	Repayable in 33 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 81	9,706	Repayable in 33 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 82	30,000	Repayable in 36 Monthly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 83	4,000	Repayable in 12 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 84	8,667	Repayable in 13 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 85	4,333	Repayable in 13 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 86	29,952	Repayable in 16 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 87	10,000	Repayable in 16 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 88	5,000	Repayable in 12 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

INR in Lakhs

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 89	9,167	Repayable in 11 Quarterly Installments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
EIR adjustments	381		
Total Term Loans from Banks	**13,93,783**		

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

INR in Lakhs

Particulars	Amount	Terms of redemption / repayment	Security
Term loan - 1	14,355	Repayable in 96 Equal Monthly installments Remaining no. of installments: 69	Exclusive charge on Specific receivables
Term loan - 2	3,684	Repayable in 57 Equal Monthly installments Remaining no. of installments: 42	Exclusive hypothecation of standard receivables
Term loan - 3	11,288	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 28	Exclusive charge on the company's receivables
Term loan - 4	6,774	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 28	Exclusive charge on the priority sector receivables (housing) (created out of loan proceeds)
Term loan - 5	9,284	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 26	Exclusive charge on the receivables
Term loan - 6	8,925	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 25	Exclusive floating charge on specific book debts and future receivables
Term loan - 7	8,212	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 23	Exclusive charge on receivables of the company
Term loan - 8	4,099	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 23	Exclusive Floating charge on specific book debts and future receivables
Term loan - 9	6,409	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 18	Exclusive charge on receivables of the company

INR in Lakhs

Particulars	Amount	Terms of redemption / repayment	Security
Term loan - 10	823	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 17	Exclusive charge on specific receivables / book debts other than those specifically charged to other lenders
Term loan - 11	6,669	Repayable in 24 Equal Quarterly installments Remaining no. of installments: 16	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.
Term loan - 13	1,285	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 16	Exclusive charge on specific receivables / book debts other than those specifically charged to other lenders
Term loan - 14	4,372	Repayable in 24 Equal Quarterly installments Remaining no. of installments: 14	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	1,625	Repayable in 24 Equal Quarterly installments Remaining no. of installments: 13	Exclusive charge on specific loan receivables
Term loan - 16	13,200	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 11	Exclusive Charge on Book debts
Term loan - 17	1,500	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 10	Exclusive charge on Specific receivables
Term loan - 18	5,625	Repayable in 16 Equal Quarterly installments Remaining no. of installments: 9	Exclusive charge on the unencumbered identified set of receivables from standard assets portfolio of receivables.
Term loan - 19	2,083	Repayable in 12 Equal Quarterly installments Remaining no. of installments: 5	Hypothecation of exclusive charge on specific receivables
Term loan - 20	1,250	Repayable in 12 Equal Quarterly installments Remaining no. of installments: 3	Hypothecation of exclusive charge on specific receivables
Term loan - 21	1,250	Repayable in 8 Equal Half-yearly installments Remaining no. of installments: 2	Exclusive charge on specific loan receivables

INR in Lakhs

Particulars	Amount	Terms of redemption / repayment	Security
Term loan - 22	8,887	Repayable in 72 Equal Monthly installments Remaining no. of installments: 64	Exclusive charge on specific receivables
Term loan - 23	19,987	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 28	Exclusive charge on the receivables
Term loan - 24	7,500	Repayable in 18 Equal Quarterly installments Remaining no. of installments: 18	Exclusive charge on the unencumbered identified set of receivables from standard assets portfolio of receivables.
Term loan - 25	12,499	Repayable in 81 Equal Monthly installments Remaining no. of installments: 81	Exclusive charge on specific receivables
Term loan - 26	7,488	Repayable in 81 Equal Monthly installments Remaining no. of installments: 81	Exclusive charge on the priority sector receivables (housing)
Term loan - 27	1,999	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 28	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 - 28	10,000	Repayable in 26 Equal Quarterly installments Remaining no. of installments: 26	Exclusive charge on the receivables
Term loan - 29	10,000	Repayable in 60 Equal Monthly installments Remaining no. of installments: 60	Exclusive charge on the priority sector receivables (housing)
Total Term Loans from Banks	**1,96,073**		

Note:

Maturity profile above is disclosed at face value which excludes the impact of effective rate of interest and interest accrued amounting to INR 304.04 Lakh (31st March, 2020 - INR 209.02 Lakh)

17 Other financial liabilities

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Payable to assignees towards collections in assigned assets	28,351	23,205
Interest participation payable	12,660	11,772
Dealer payables	-	3,509
Payable to employees	1,370	1,303
Lease liability	2,764	2,608
Other payable	675	228
Total	**45,820**	**42,625**

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
18 Provisions		
Provision for employee benefits		
- gratuity	259	234
- compensated absences	280	168
Total	**539**	**402**
19 Other non-financial liabilities		
Statutory liabilities	780	546
Total	**780**	**546**
20 Equity share capital		
Authorised		
62,29,07,700 (31st March, 2020: 62,29,07,700) equity shares of INR 10/- each	62,291	62,291
	62,291	**62,291**
Issued, subscribed and fully paid up		
46,97,82,490 (31st March, 2020: 46,97,52,490) equity shares of INR 10/- each	46,978	46,975
	46,978	**46,975**

Notes:

a) Reconciliation of number of Equity shares subscribed

INR in Lakhs

Particulars	As at 31st March 2021		As at 31st March 2020	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
At the commencement of the year	46,97,52,490	46,975	46,96,70,990	46,967
Add: Shares issued during the year	30,000	3	81,500	8
At the end of the year	**46,97,82,490**	**46,978**	**46,97,52,490**	**46,975**

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

Particulars	As at 31st March 2021		As at 31st March 2020	
	No. of shares	% held	No. of shares	% held
Equity shares				
Ashok Leyland Limited; Holding company	32,32,46,338	68.81%	31,56,42,021	67.19%

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

Particulars	As at 31st March 2021		As at 31st March 2020	
	No. of shares	% held	No. of shares	% held
Equity shares				
Ashok Leyland Limited; holding company	32,32,46,338	68.81%	31,56,42,021	67.19%
IndusInd International Holdings Limited	7,89,79,303	16.81%	7,89,79,303	16.81%
Hinduja Automotive Limited	4,32,88,239	9.21%	98,44,321	2.10%
Hinduja Power Limited	50,00,000	1.06%	2,57,86,550	5.49%

e) Shares reserved for issue under employee stock option plan

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number	Amount	Number	Amount
Under Employee stock option scheme, 2013, at an exercise price as determined by the Nomination and Remuneration Committee	1,86,64,748	1,866	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, 2021, 24,40,000 (31st March, 2020: 28,64,500) equity shares issued under employee stock option plan for which only exercise price has been received in cash.

21 Other Equity

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
a) Securities premium account		
Balance at the beginning of the year	96,247	96,211
Add: Premium on issue of shares	12	36
Add: Transferred from Employee Stock Option Outstanding account	397	-
Balance at the end of the year	**96,656**	**96,247**
b) Employee stock option outstanding account		
Balance at the beginning of the year	293	293
Add: Share based payment expense for the year	336	-
Less: Transferred to securities premium	(397)	-
Balance at the end of the year	**232**	**293**
c) Statutory reserves		
(As per Section 45-IC of Reserve Bank of India Act, 1934)		
Balance at the beginning of the year	30,784	24,240
Add: Amount transferred from surplus in statement of profit and loss	6,668	6,544
Balance at the end of the year	**37,452**	**30,784**
d) Retained earnings (Surplus in Statement of Profit and Loss)		
Balance at the beginning of the year	1,12,513	86,336
Add: Profit for the year	33,338	32,721
Less: Transferred to Statutory Reserve	(6,668)	(6,544)
Balance at the end of the year	**1,39,183**	**1,12,513**
e) Other comprehensive income		
Balance at the beginning of the year	45,680	22,677
Add: Comprehensive Income for the year	30,535	23,003
Balance at the end of the year	**76,215**	**45,680**
Total (a+b+c+d+e)	**3,49,738**	**2,85,517**

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 the RBI Act, 1934, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared

(b) Statutory Reserve u/s. 29C of National Housing Bank Act, 1987 ("the NHB Act, 1987")

Section 29C (i) of The National Housing Bank (NHB), 1987 defines that every housing finance institution which is a company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. For this purpose any special reserve created by the company under section 36(1)(viii) of the Income Tax Act,1961, is considered to be an eligible transfer.

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.

22 Interest income

INR in Lakhs

Particulars	Year ended 31st March 2021			Year ended 31st March 2020		
	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	73,778	1,94,376	2,68,154	82,502	1,92,960	2,75,462
- Interest on investment in pass through certificates	-	4,374	4,374	-	7,380	7,380
- Interest income on investment in debentures	-	845	845	-	3,956	3,956
- Interest income on lease assets	-	23	23	-	12	12
- Interest on CD	-	410	410	-	-	-
Total	**73,778**	**2,00,028**	**2,73,806**	**82,502**	**2,04,308**	**2,86,810**

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
23 Fees and commission Income		
Other charges	3,832	5,465
Total	**3,832**	**5,465**
24 Net gain on derecognition of financial instruments		
Income on assignment of loans	20,081	18,751
Total	**20,081**	**18,751**
25 Income from other services		
Interest on fixed deposits	3,371	2,541
Other income (refer note below)	698	74
Total	**4,069**	**2,615**

Note: Interest on income tax refund amounting to INR 676 lakh

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
26 Finance Costs		
Finance costs on financial liabilities measured at amortised cost		
Interest on borrowings		
- term loans from banks	1,26,012	1,21,014
- cash credits and working capital demand loans	4,383	6,689
- securitised portfolio	3,225	2,622
Interest on debt securities	8,572	11,797
Interest on subordinated liabilities	12,043	14,382
Amortisation of discount on commercial papers	307	7,788
Amortisation of ancillary costs relating to borrowings	1,831	2,168
Interest on lease assets	178	85
Total	**1,56,551**	**1,66,545**
27 Fees and commission expense		
Service provider and sourcing expenses	3,778	8,722
Total	**3,778**	**8,722**

28 Impairment on financial instruments

INR in Lakhs

Particulars	Year ended 31st March 2021		Year ended 31st March 2020	
	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	-	72,296	4,034	56,849
Impairment loss on EIS receivable	-	2,991	-	2,151
Total	**-**	**75,287**	**4,034**	**59,000**
Total impairment of financial assets	**-**	**75,287**	**-**	**63,034**

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
29 Employee Benefits Expenses		
Salaries, wages and bonus	15,424	14,826
Contribution to provident, gratuity and other funds	969	879
Staff welfare expenses	109	273
Employee stock option expenses	336	-
Total	**16,838**	**15,978**
30 Depreciation and amortization		
Depreciation of property, plant and equipment	712	748
Amortisation of intangible assets	24	15
Depreciation on right of use assets	1,228	398
Total	**1,964**	**1,161**

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
31 Other expenses		
Legal and professional charges	2,369	2,437
Rent (refer note 40)	480	1,423
Communication expenses	568	791
Insurance	436	365
Electricity charges	216	285
Rates and taxes	283	229
Office maintenance	246	557
Repairs and maintenance	264	208
Bank charges	154	273
Printing and stationery	321	475
Travelling and conveyance	698	1,385
Auditor remuneration (refer note 31.1)	143	120
Meeting and conference expenses	24	72
Commission to directors	191	168
Sitting fees to directors	101	80
Expenditure on corporate social responsibility (refer note 41)	548	705
Miscellaneous expenses	646	610
Total	**7,688**	**10,183**

31.1 Payments to auditor (excluding goods and services tax)

(a) As auditor:		
Statutory audit	65	55
Tax audit	4	3
Limited review	21	18
Consolidation	13	10
(b) In other capacity:		
Certification	10	8
Other services	25	21
(c) Reimbursement of expenses	5	5
	143	**120**

32 Income Tax

The components of income tax expense for the years ended 31st March, 2021 and 2020 are:

Current tax	12,617	12,235
Deferred tax	(2,018)	3,127
Tax pertaining to earlier years	(623)	-
Total tax charge	**9,976**	**15,362**

32.1 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	6	(68)
Gain/(Loss) on fair valuation of loans	(10,274)	(3,326)
Total income tax recognised in other comprehensive income	**(10,268)**	**(3,394)**

32.2 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, 2021 and 2020 is, as follows:-

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Accounting profit before tax	43,224	48,018
Applicable tax rate	25.17%	25.17%
Computed tax expense	**10,879**	**12,085**
Tax effect of :		
Permanent differences	(903)	3,277
Tax expenses recognised in the statement of profit and loss	**9,976**	**15,362**
Effective tax rate	23.08%	31.99%

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, 2021 payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

32.3 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 March, 2020	Statement of profit and loss	Other comprehensive income	As at 31st March, 2021
Deferred tax asset / (liability) in relation to:				
Fixed assets	40	5	-	44
Impact of fair value of assets	(15,446)	-	(10,274)	(25,720)
Impairment on financial assets	13,602	4,306	-	17,908
Provision for employee benefits	82	39	7	128
Impact on other receivables	(5,673)	(1,156)	-	(6,829)
Impact on leases	36	(38)	-	(2)
Impact of prepaid expenses	-	(6,517)	-	(6,517)
Excess interest spread upfronting	-	(344)	-	(344)
Others	0	(99)	-	(99)
Total	**(7,359)**	**(3,804)**	**(10,267)**	**(21,430)**

INR in Lakhs

Component of Deferred tax asset / (liability)	As at 1st April, 2019	Statement of profit and loss	Other comprehensive income	As at 31st March, 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)	-	0
Total	**(785)**	**(3,180)**	**(3,394)**	**(7,359)**

33 Earnings per share ('EPS')

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Earnings		
Net profit attributable to equity shareholders for calculation of basic EPS	33,338	32,721
Net profit attributable to equity shareholders for calculation of diluted EPS	33,338	32,721
Shares		
Equity shares at the beginning of the year	46,97,52,490	46,96,70,990
Shares issued during the year	30,000	81,500
Total number of equity shares outstanding at the end of the year	**46,97,82,490**	**46,97,52,490**
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	46,97,65,723	46,97,25,326
Effect of dilutive potential equity shares		
Employee stock options	1,92,796	2,05,296
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	46,99,58,519	46,99,30,622
Face value per share	10.00	10.00
Earnings per share		
Basic	7.10	6.97
Diluted	7.09	6.96

34 Employee stock option

The Group 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:

Particulars	For the Year ended 31st March 2021	For the Year ended 31st March 2020
Share based payment expense:		
Total expense recognised in 'employee benefits'	336	-

Reconciliation of outstanding options

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

INR in Lakhs

Particulars	Year ended 31st March 2021		Year ended 31st March 2020	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Outstanding at beginning of the year	**13,51,000**	**77.68**	**13,75,000**	**73.45**
Granted during the year	-	-	1,60,000	110.0
Forfeited during the year	55,500	40.84	1,02,500	92.51
Exercised during the year	76,500	38.94	81,500	51.10
Expired during the year	-	-	-	0.00
Outstanding at the end of the year	**12,19,000**	**81.79**	**13,51,000**	**77.68**

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

INR in Lakhs

Particulars	As at 31st March 2021			As at 31st March 2020		
	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	12,63,000	INR/- 56.95 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	29,95,000	11,90,000	50,000	4,60,000	2,10,000
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.

35 Employee benefit – post employment benefit plans

a) Defined contribution plans

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

The group's contribution to Provident Fund aggregating INR 797 lakhs (31st March, 2020 : INR 712 lakhs) (refer note 29) 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 Group 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 Group. 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 Group, which results in a higher liability for the Group and is therefore a plan risk for the Group.

Particulars	As at 31st March 2021	As at 31st March 2020
Significant assumptions		
Discount rate	5.60%	5.60%
Expected rate of salary escalation	10.00%	10.00%
Other assumption		
Mortality rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

b) Gratuity benefit plan

Financial assets not measured at fair value

The Group 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 Group 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 then 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 then 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 Group 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 March 2021	As at 31st March 2020
Present value of obligations	751	551
Fair value of plan assets	514	330
Asset/ (Liability) recognised in the Balance Sheet	**(237)**	**(221)**

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

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Current service cost	170	125
Past service cost	-	-
Net interest cost	9	4
Components of defined benefits costs recognised in profit or loss.	**179**	**129**
Remeasurements on the net defined benefit liability :		
- Actuarial (gain)/loss from change in demographic assumptions	-	24
- Actuarial (gain)/loss from change in financial assumptions	8	30
- Actuarial (gain)/loss from change in experience adjustments	13	33
- Return on plan assets (greater)/less than discount rate	(4)	(2)
Total amount recognised in other comprehensive income	**17**	**85**
Total	**196**	**214**

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 March 2021	As at 31st March 2020
Opening defined benefit obligation	552	353
Current service cost	170	125
Past service cost	-	-
Interest cost	32	23
Remeasurements (gains)/losses:		
- Actuarial (gain)/loss from change in demographic assumptions	-	24
- Actuarial (gain)/loss from change in financial assumptions	8	30
- Actuarial (gain)/loss from change in experience adjustments	13	33
Benefits paid	(23)	(36)
Closing defined benefit obligation	**752**	**552**

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Movement in present values of defined benefit obligations		
Defined benefit obligation at the beginning of the year	552	353
Current service cost	170	125
Interest cost	32	23
Actuarial (gains) / losses	21	87
Benefits paid by the plan	-	(23)
Benefits paid directly by the Group	(23)	(13)
Defined benefit obligation at the end of the year	**752**	**552**

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Movement in fair value of plan assets		
Fair value of plan assets at the beginning of the year	330	220
Contributions paid into the plan	157	112
Benefits paid by the plan	-	(23)
Expected return on plan assets	23	19
Actuarial (losses) / gains	4	2
Fair value of plan assets at the end of the year	**514**	**330**

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Expense recognised in the statement of profit or loss		
Current service cost	170	125
Interest on obligation	32	23
Expected return on plan assets	(19)	(19)
Net actuarial (gain)/ loss recognised in the year	87	87
Benefits paid directly by the Group	(13)	(13)
Total	**257**	**203**

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Actuarial assumptions		
Discount rate	5.20%	5.60%
Estimated rate of return on plan assets	5.20%	5.60%
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 March 2021	31st March 2020	31st March 2019	31st March 2018	31st March 2017
Defined benefit obligation	752	552	353	240	164
Fair value of plan assets	514	330	220	206	115
Deficit in plan	237	221	132	34	48
Experience adjustments on plan liabilities	13	33	40	(41)	(45)
Experience adjustments on plan assets	4	2	2	36	-

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 March 2021		Year ended 31st March 2020	
	Increase	Decrease	Increase	Decrease
100 base points increase/decrease				
Discount rate	(26)	28	(19)	21
Future salary growth	26	(25)	20	(19)
Attrition rate	(10)	11	(2)	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 March 2021	As at 31st March 2020
Expected benefits for year 1	116.44	92.95
Expected benefits for year 2	118.73	81.91
Expected benefits for year 3	147.16	99.72
Expected benefits for year 4	172.02	126.31
Expected benefits for year 5	180.50	153.68
Expected benefits for year 6	167.22	158.53
Expected benefits for year 7	155.55	142.64
Expected benefits for year 8	137.81	131.72
Expected benefits for year 9	124.38	117.07
Expected benefits for year 10 and above	106.05	168.39

The weighted average duration of the payment of these cash flows is 4 years (FY 2019-20 - 4 years)

c) **Other long term employee benefits**

The liability for compensated absences as at 31st March, 2021 is INR 279.84 lakhs and as at 31st March, 2020 is INR 167.54 lakhs.

d) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13th November, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

36 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'.

37 Contingent liabilities and commitments

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Claims against the Group not acknowledged as debts: Value added taxes [bank guarantee provided against the claim INR 5 lakhs (31st March, 2020 : INR 75 lakhs)]	180	180
Bank guarantee against securitisation transactions	3,124	4,558
Commitments: Sanctioned and undisbursed amounts of loans	8,960	4,817

The Group 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.

38 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
	Ashley Aviation Limited
Key management personnel (KMP)	Mr. Dheeraj G Hinduja, Chairman
	Mr. S. Nagarajan, Executive Vice Chairman
	Mr. Sachin Pillai, Managing Director & CEO
	Mr. Gopal Mahadevan, Director
	Mr. Sudhanshu Tripathi, Director
	Mr. G S Sundararajan, Independent Director
	Mr. R S Sharma, Independent Director
	Ms. Manju Agarwal, Independent Director
	Mr. D Sarkar, Independent Director
	Prof. Dr. Andreas H Biagosch, Independent Director
	Ms. Bhumika Batra, Independent Director

Related party transactions

INR in Lakhs

Nature of transaction	Holding company (ALL)	Associate (HSL)	Fellow subsidiary	KMP
Salaries and allowances				
- Mr. S. Nagarajan	-	-	-	403
	-	-	-	(378)
- Mr. Sachin Pillai	-	-	-	324
	-	-	-	(284)

INR in Lakhs

Nature of transaction	Holding company (ALL)	Associate (HSL)	Fellow subsidiary	KMP
Sitting fees and Comission				
- Mr. Dheeraj G Hinduja	-	-	-	61
	-	-	-	(54)
- Mr. Gopal Mahadevan	-	-	-	33
	-	-	-	(27)
- Mr. Sudhanshu Tripathi	-	-	-	25
	-	-	-	(23)
- Mr. G S Sundararajan	-	-	-	32
	-	-	-	(24)
- Mr. R S Sharma	-	-	-	31
	-	-	-	(25)
- Ms. Manju Agarwal	-	-	-	34
	-	-	-	(29)
- Mr. Debabrata Sarkar	-	-	-	31
	-	-	-	(25)
- Prof. Dr. Andreas H Biagosch	-	-	-	21
	-	-	-	(28)
- Ms. Bhumika Batra	-	-	-	8
	-	-	-	-

INR in Lakhs

Nature of transaction	Holding company (ALL)	Associate (HSL)	Fellow subsidiary	KMP
Inter-corporate deposits (Hinduja Energy (India) Limited)	-	-	30,000	-
	-	-	(17,500)	-
Repayment of Inter-corporate deposits (Hinduja Energy (India) Limited)	-	-	30,000	-
	-	-	(22,000)	-
Advance given (Gulf Ashley Motors Limited)	-	-	600	-
	-	-	(4,160)	-
Advance repayment (Gulf Ashley Motors Limited)	-	-	600	-
	-	-	(4,855)	-
Reimbursement of expenses incurred on behalf of the related party	60	-	21	-
	(1)	-	-	-
Interest income	-	-	-	-
- Hinduja Energy (India) Limited	-	-	768	-
	-	-	(691)	-
- Gulf Ashley Motors Limited	-	-	-	-
	-	-	(8)	-
Purchase of services including tax:				
a. Service provider fee	-	11,991	-	-
	-	(9,920)	-	-
b. Sourcing / marketing expenses	-	-	-	-
	-	-	-	-
Income from other services	124.00	-	-	-
	-	-	-	-
Number of equity shares allotted on exercise of options				
- Mr. Sachin Pillai	-	-	-	15,000
	-	-	-	(10,000)

Figures in bracket represent previous year figures.

Year end balances

INR in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Amounts due from related parties		
- Hinduja Energy (India) Limited	-	-
- HLF Services Limited	-	5,186
- Gulf Ashley Motors Limited	-	-
Amounts due to related parties		
- Hinduja Housing Finance Limited	162	162

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 Group 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.

39 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 Group uses the same basis of expected repayment behaviour as used for estimating the EIR.

INR in Lakhs

Particulars	As at 31st March 2021			As at 31st March 2020		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Assets						
Cash and cash equivalents	81,871	-	81,871	84,269	-	84,269
Bank Balance other than cash and cash equivalents	5,585	-	5,585	-	14,610	14,610
Other Receivables	-	-	-	-	-	-
Loans	6,26,301	15,43,610	21,69,911	7,65,921	12,20,410	19,86,331
Investments	11,912	70,039	81,951	18,342	44,998	63,340
Other financial assets	46,718	14,931	61,650	28,467	30,889	59,356
Current tax assets (net)	5,952	-	5,952	7,604	-	7,604
Property, Plant and Equipment	-	8,564	8,564	-	5,156	5,156
Capital work-in-progress	-	38	38	-	116	116
Other Intangible assets	-	74	74	-	63	63
Right of use assets	-	2,632	2,632	-	2,650	2,650
Other non-financial assets	5,769	10	5,780	2,971	-	2,971
Total Assets	**7,84,108**	**16,39,898**	**24,24,008**	**9,07,574**	**13,18,892**	**22,26,466**
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	1,987	-	1,987	2,139	-	2,139
Debt Securities	63,544	68,259	1,31,803	61,602	26,698	88,300
Borrowings (other than debt securities)	6,76,111	10,13,658	16,89,769	5,59,126	10,61,889	16,21,015
Subordinated liabilities	21,137	1,14,026	1,35,163	20,570	1,11,018	1,31,588
Other financial liabilities	41,600	4,220	45,820	37,060	5,565	42,625
Provisions	-	540	540	291	111	402
Deferred tax liabilities (net)	-	21,430	21,430	-	7,359	7,359
Other non-financial liabilities	780	-	780	546	-	546
Total Liabilities	**8,05,159**	**12,22,133**	**20,27,292**	**6,81,334**	**12,12,640**	**18,93,974**
Net	**-21,050**	**4,17,767**	**3,96,717**	**2,26,240**	**1,06,252**	**3,32,492**

40 Leases

The Group has adopted Ind AS 116 "Leases" and applied the standard to all outstanding lease contracts 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.

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.

Following are the changes in the carry value of the right of use assets for the year ended 31st March, 2021:

INR in Lakhs

Category of ROU Asset	Gross Block			Accumulated Depreciation			Net Block
	As at 1st April, 2020	Additions	As at 31st March, 2021	As at 1st April, 2020	Depreciation	As at 31st March, 2021	As at 31st March, 2021
Office Premises	3,048	1,210	4,258	398	1,228	1,626	2,632

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, 2021 on an undiscounted basis:

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Within one year	1,118	943
After one year but not more than five years	1,916	1,289
More than five years	444	318
Total	**3,478**	**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 March 2021	Year ended 31st March 2020
Within one year	22	24
After one year but not more than five years	20	34
More than five years	-	-
Total	**42**	**58**
Less: Future finance charges	8	8
Present value of minimum lease payments	**34**	**50**
Total	**42**	**58**

41 Corporate social responsibility ("CSR") expenditure

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
(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	825	679
(b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	540	716

42 Utilisation of the proceeds of rights issue

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Proceeds from rights issue	-	-
Utilisation during the year – Loan to customers	-	-
Un-utilised amount at the end of the year	-	-

43 Expenditure in foreign currency

INR in Lakhs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Legal and professional charges	39	41

44 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, 2021					
Loans	9,59,291	-	-	10,52,585	10,52,585
As at 31st March, 2020					
Loans	6,98,932	-	-	7,51,408	7,51,408

The Group does not have any financial assets measured at fair value as on 31st March, 2021 and 1st April, 2020.

Reconciliation of level 3 fair value measurement is as follows

INR in Lakhs

Loans	Year ended 31st March 2021	Year ended 31st March 2020
Loans, measured at FVOCI		
Balance at the beginning of the year	52,476	30,028
Total gains measured through OCI for additions made during the year	40,818	22,448
Balance at the end of the year	**93,294**	**52,476**

Sensitivity analysis

INR in Lakhs

	Equity, net of tax	
	Increase	Decrease
31st March, 2021		
Loans		
Interest rates (1% movement)	19,471.90	20,184.43

The carrying value and fair value of other financial instruments by categories as of 31st March, 2021 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	22,54,748	-	-	24,73,910	24,73,910
Investments	81,609	8,150	-	77,132	85,282
Total	**23,36,357**				
Financial liabilities not measured at fair value:					
Debt securities	1,31,803	1,31,803	-	-	1,31,803
Borrowings	16,89,769	-	-	16,89,769	16,89,769
Subordinated liabilities	1,35,163	1,35,163	-	-	1,35,163
Total	**19,56,735**				

The carrying value and fair value of 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	19,82,072	-	-	20,92,112	20,92,112
Investments	63,079	8,000	-	58,076	66,076
Total	**20,45,151**				
Liabilities:					
Debt securities	88,300	88,300	-	-	88,300
Borrowings	16,21,015	-	-	16,21,015	16,21,015
Subordinated liabilities	1,31,588	1,31,588	-	-	1,31,588
Total	**18,40,903**				

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 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 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.

45 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 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 it's 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	Carrying amount	
	As at 31st March, 2021	As at 31st March, 2020
Retail Loans	20,57,516	17,60,273
Term Loans	1,65,980	2,21,799
Repossessed loans	31,252	94,666
	22,54,748	**20,76,738**
Less: Impairment loss allowance	(84,837)	(90,407)
	21,69,911	**19,86,331**

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, Group assesses whether there is a significant increase in credit risk at the reporting date from the initial recognition. Group 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 Group

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

46 Financial risk management objectives and policies

Grouping

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

- Commercial vehicle loans (ICV, LCV, MCV, MUV, Buses)
- Heavy commercial vehicles
- Small ommercial vehicles
- Two wheeler loan
- Tipper
- Tractor
- Car
- Construction equipments
- Three wheeler loan
- Housing Loan
- Loan against property
- Investments
- Term Loans

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")

Probablity 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 Group 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 48.

For computation of probability of default ("PD"), Through the Cycle (TTC), PD was calculated based on average of Observed Default Rates (ODRs) using transition matrix approach. This is based on the delinquency status of accounts tracked at a time horizon of one year, the yearly migration of borrowers in each DPD Bucket to default. (NPA or greater than 90 DPD). The model rolls this behavior forward until all receivables are either paid or written off or closed. The output of the model is the probability of an account in each state rolling to Closure stated as a %.

The transition matrix was calculated for each historical year and TTC PD was calculated as average of ODR. The PDs for each bucket was calibrated to form an exponential PD curve.

As per Vasicek[1] model, given long term PD and current macroeconomic conditions, conditional PD corresponding to current macroeconomic condition is estimated.

The probability of default was calculated for 3 scenarios: upside (15%), downside (15%) and base (70%). This weightage has been decided on best practices and expert judgement. Marginal conditional probability was calculated for all 3 possible scenarios and one conditional PD was arrived as conditional weighted probability.

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.

Group 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	As at 31st March 2021				As at 31st March 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	15,11,014	3,49,903	2,15,820	20,76,738	15,09,396	2,35,402	1,21,129	18,65,926
Assets derecognised or repaid	(4,03,866)	(68,704)	(86,376)	(5,58,945)	(5,41,451)	(77,865)	(16,600)	(6,35,917)
Transfers from Stage 1 **	(1,39,204)	2,11,194	12,843	84,832	(3,25,263)	2,03,698	49,289	(72,276)
Transfers from Stage 2 **	97,081	(1,11,835)	22,907	8,153	22,280	(96,919)	39,734	(34,905)
Transfers from Stage 3 **	903	2,264	(2,675)	492	932	3,404	17,027	21,364
Amounts written off	-	-	(15,153)	(15,153)	(12)	-	(146)	(158)
New assets originated*	6,43,740	14,469	423	6,58,632	8,45,132	82,184	5,387	9,32,703
Gross carrying amount closing balance	**17,09,668**	**3,97,291**	**1,47,790**	**22,54,749**	**15,11,014**	**3,49,904**	**2,15,820**	**20,76,738**

* 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	As at 31st March 2021				As at 31st March 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	6,910	1,473	82,024	90,407	3,465	1,339	45,671	50,474
Assets derecognised or repaid (excluding write offs)	5,678	9,522	(24,370)	(9,170)	(1,065)	(369)	(6,116)	(7,549)
Transfers from Stage 1	(11,517)	4,799	5,172	(1,546)	(752)	903	18,122	18,274
Transfers from Stage 2	287	(7,147)	7,984	1,124	104	(524)	14,243	13,823
Transfers from Stage 3	5	50	650	705	4	9	5,146	5,160
New assets originated and incremental charge during the year	1,556	383	15,022	16,961	4,713	347	8,597	13,657
Write offs during the year	-	-	(15,152)	(15,152)	(12)	-	615	603
Restructured assets	1,508	-	-	1,508				
Transfer to OCI	-	-	-	-	454	(233)	(4,254)	(4,034)
Closing provision of ECL	**4,427**	**9,080**	**71,330**	**84,837**	**6,911**	**1,473**	**82,024**	**90,408**

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 Group is INR 1,475 lakhs 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 31st March 2021	Contractual cash flows				
	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	1,987	1,987	-	-	-
Borrowings	16,89,769	6,59,312	7,76,547	2,12,482	41,427
Debt Securities	1,31,803	63,544	68,259	-	-
Subordinated liabilities	1,35,163	21,137	31,982	64,715	17,329
Other financial liabilities	45,820	41,438	4,220	-	162
Total	**20,04,542**	**7,87,418**	**8,81,008**	**2,77,197**	**58,918**
Financial assets					
Cash and Cash Equivalents	81,871	81,871	-	-	-
Bank balances other than (a) above	5,585	5,585	-	-	-
Loans	21,69,911	6,52,295	9,76,511	3,22,975	2,18,131
Investments	81,951	10,545	26,714	14,313	30,379
Other financial assets	61,650	45,591	15,326	141	592
Total	**24,00,968**	**7,95,887**	**10,18,551**	**3,37,429**	**2,49,102**

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 liabilities					
Trade Payables	2,139	2,139	-	-	-
Borrowings	16,21,015	5,53,730	8,11,586	2,31,147	24,552
Debt Securities	88,300	61,602	26,698	-	-
Subordinated liabilities	1,31,588	20,570	40,477	70,541	-
Other financial liabilities	42,625	36,898	4,972	275	480
Total	**18,85,667**	**6,74,939**	**8,83,733**	**3,01,963**	**25,032**
Financial assets					
Cash and Cash Equivalents	84,269	84,269	-	-	-
Bank balances other than (a) above	14,610	14,610	-	-	-
Loans	19,86,351	7,87,676	7,44,577	2,30,424	2,23,674
Investments	63,340	17,681	28,382	9,573	7,704
Other financial assets	59,356	23,266	26,731	8,782	577
Total	**22,07,926**	**9,27,502**	**7,99,690**	**2,48,779**	**2,31,955**

(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 Group 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 March 2021		For the Year ended 31st March 2020	
	increase	decrease	increase	decrease
Change in interest rates (25 bps)				
Floating rate borrowings				
Floating rate loans				
Impact on profit for the year	(4,558)	4,558	(4,255)	4,255

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 March 2021		31st March 2020	
	%	Amount	%	Amount
Parent				
Hinduja Leyland Finance Limited	91.00%	3,61,019	91.92%	3,05,635
Subsidiary				
Hinduja Housing Finance Limited	8.91%	35,340	8.00%	26,591
Associate				
HLF Services Limited	0.09%	357	0.08%	266
Total	**100.00%**	**3,96,716**	**100.00%**	**3,32,492**

b Share in profit or loss as a % of consolidated net assets

INR in Lakhs

Particulars	31st March 2021		31st March 2020	
	%	Amount	%	Amount
Parent				
Hinduja Leyland Finance Limited	81.02%	27,010	89.23%	29,197
Subsidiary				
Hinduja Housing Finance Limited	18.71%	6,238	10.57%	3,458
Associate				
HLF Services Limited	0.27%	90	0.20%	65
Total	**100.00%**	**33,338**	**100.00%**	**32,720**

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 COVID -19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The standalone financial results, includes the potential impact of the COVID-19 pandemic on the Group's standalone financial results which are dependent 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 and its subsequent impact on the recoverability's on the Group's assets.

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 all information available upto the date of approval of these standalone financial results. Accordingly, the Group has made provision for expected credit loss on financial assets as at 31st March, 2021. 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 further impact the Group's standalone financial 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 standalone 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, 2021.

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 / London
Date : 3rd June, 2021

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

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REGISTERED OFFICE

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