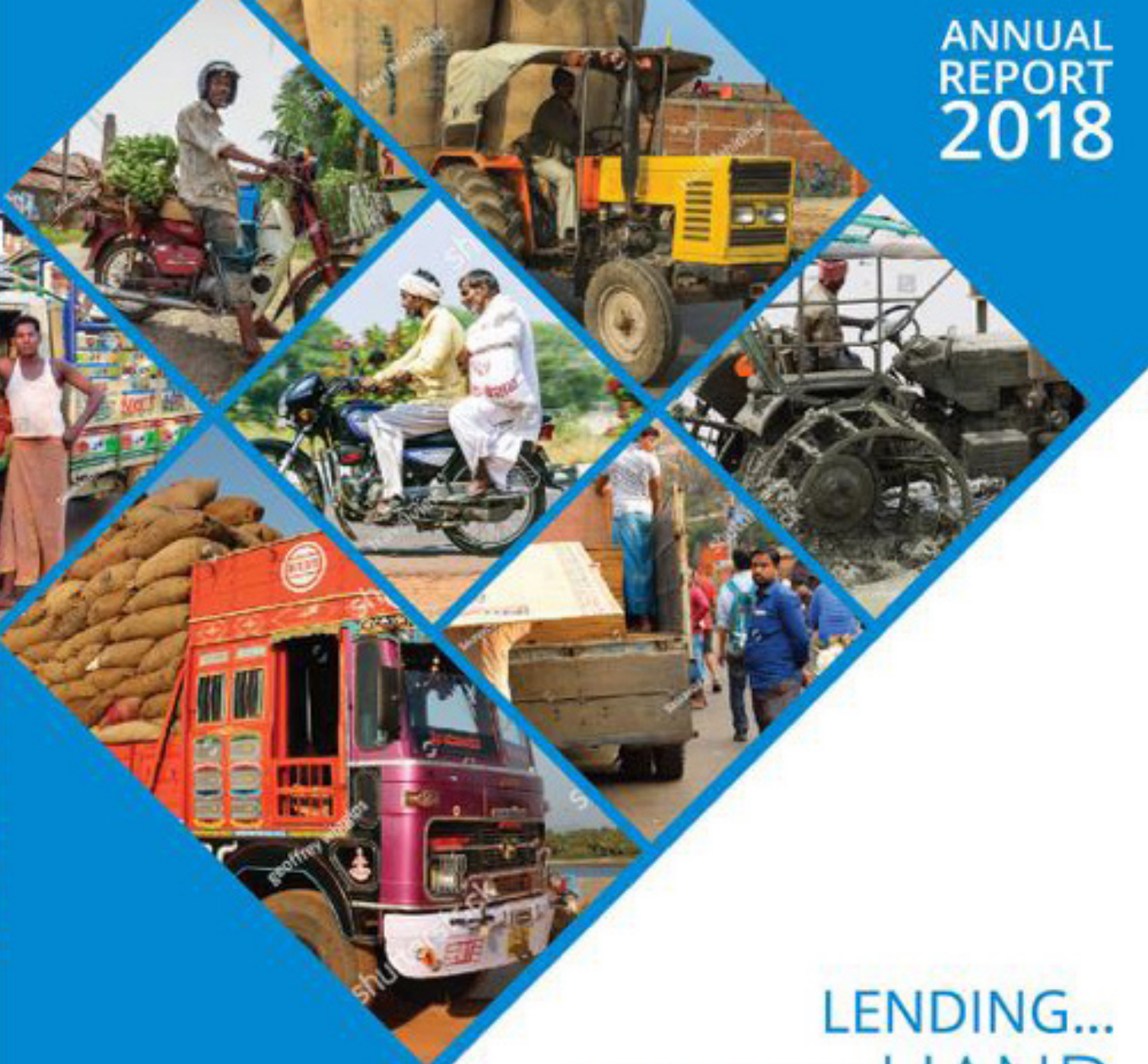


ANNUAL
REPORT
2018



LENDING...
A HELPING HAND



HINDUJA LEYLAND FINANCE

BOARD OF DIRECTORS

Mr. Dheeraj G Hinduja, *Chairman*
 Mr. S Nagarajan, *Executive Vice Chairman*
 Mr. R Sundararaman
 Mr. Atul Kapur
 Mr. R S Sharma
 Mr. D Sarkar
 Ms. Bhumika Batra
 Mr. Gopal Mahadevan
 Mr. Sudhanshu Tripathi
 Dr. Andreas Biagosch

KEY MANAGERIAL PERSONNEL

Mr. Sachin Pillai, *Chief Executive Officer*
 Mr. Kishore Kumar Lodha, *Chief Financial Officer*
 Mr. B. Shanmugasundaram, *Company Secretary*

REGISTERED OFFICE

No.1, Sardar Patel Road
 Guindy, Chennai : 600032.

CORPORATE IDENTITY NUMBER

U65993TN2008PLC069837

CORPORATE OFFICE

Plot No. 27A, Developed Industrial Estate
 Guindy, Chennai - 600032.
 Phone : 044-39252555

E-MAIL & WEBSITE

compliance@hindujaleylandfinance.com
 investorrelations@hindujaleylandfinance.com
 www.hindujaleylandfinance.com

AUDITORS

M/s. B S R & Co. LLP
 Chartered Accountants
 KRM Tower, No.1, Harrington Road,
 Chetpet, Chennai - 600031.

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited
 Asian Building, Ground Floor, 17, R Kamani Marg,
 Ballard Estate, Mumbai - 400001.

BANKERS

Allahabad Bank
 Axis Bank Limited
 Bank of Baroda
 Canara Bank
 Central Bank of India
 Citibank
 DCB Bank Limited
 Deutsche Bank AG
 HDFC Bank Limited
 ICICI Bank Limited
 IDBI Bank Limited
 Indian bank
 Kotak Mahindra Bank Limited
 Oriental Bank of Commerce
 Punjab National Bank
 State Bank of India
 State Bank of Mauritius
 Syndicate Bank
 The Federal Bank Limited
 Union bank
 United Bank
 Vijaya Bank

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FINANCIAL HIGHLIGHTS AT A GLANCE

(₹ in Crores)

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
Disbursements	2,628	5,125	7,075	9,933	13,032
Assets under Management	3,887	6,550	10,001	14,070	19,263
Revenue from Operations	596	814	1,146	1,486	1,954
Profit Before Tax	123	165	225	257	287
Profit After Tax	81	112	150	168	190
Fixed Assets	34	34	41	46	47
Shareholder's Funds	804	917	1,069	1,490	2,133
Net NPA	2.64%	2.90%	2.76%	3.10%	2.96%
Capital Adequacy Ratio	20.42%	19.67%	16.19%	15.84%	17.15%
Branches (in no.)	948	1,500	1,550	1,550	1,550

**BOARD'S REPORT**

Your Directors have pleasure in presenting the Tenth Annual Report of the Company, together with the audited financial statements of the Company, for the year ended 31st March, 2018:

Financial Results

(₹ in Crores)

Particulars	Year ended 31 Mar 2018	Year ended 31 Mar 2017
Revenue from Operations	1,959.36	1,486.31
Less: Total Expenditure	1,671.98	1,226.45
Profit before exceptional items and tax	287.38	259.86
Exceptional Items	-	-
Profit Before Tax	287.38	256.76
Profit After Tax	189.84	167.53
Surplus / Shortfall brought forward	568.35	434.33
Amount available for appropriation	758.19	601.86
Appropriations have been made as under:		
Transfer to:		
- Statutory Reserve	37.97	33.51

Company's Performance

During the year, your Company achieved a 31% growth in disbursements (Rs. 13,032 crores) over previous year (Rs.9,933 crores).

Your Company's net profit grew by 13% (Rs.190 crores) over the previous year (Rs.168 crores) and net worth of the Company stood at Rs.2,133 crores as of 31st March, 2018.

Assets under management was at Rs.19,263 crores as against Rs.14,070 crores in FY 2016-17, registering a growth of 37%. Standard assets constituted 96.11% of the total assets under management. Non-performing assets after provisioning stood at 2.96%.

Your Company has presence in all the states covering over 1,550 locations.

Resource Mobilisation**Total Borrowings**

Your Company's overall borrowings as on March 31, 2018 was Rs. 12,573 crores as against Rs. 9,428 crores as of 31st March, 2017

During the year, your Company availed term loan facilities of Rs. 4,195 crores from banks.

Non-Convertible Debentures

Your Company had issued secured redeemable Non-Convertible Debentures (NCDs) of Rs. 400 crores on private placement basis. Your Company's NCDs have been listed on Wholesale Debt Market segment of Bombay Stock Exchange. These NCDs have been rated as AA- by CARE and CRISIL as of 31st March, 2018.

Commercial Paper

During the year, your Company raised Rs. 2,895 crores of Commercial Papers (CPs). All the CPs were assigned A1+ by CARE and CRISIL and outstanding as of 31st March, 2018 is Rs. 750 crores.

Subordinated Debt

During the year, your Company raised Rs. 350 Crores through issue of long term unsecured non-convertible subordinated debentures. These debentures issue were rated as AA- by CARE as of 31st March, 2018

Capital Adequacy Ratio

Capital adequacy ratio was at 17.15% as at 31st March, 2018, as against statutory requirement of 15% for non-deposit accepting NBFCs.

Credit Ratings

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

Share Capital

During the year under review, as per the terms of letter of offer issued to the existing shareholders, your Company had allotted 4,39,14,547 equity shares at a face value of Rs.10 per share as per the table below

S No.	Date of Allotment	No. of Shared Allotted under rights issue basis	Share Premium (in INR)
1	23-Jun-17	1,05,68,101	84.00
2	22-Sep-17	1,50,97,287	90.00
3	30-Jan-18	1,82,49,159	100.00

In addition to the above, your Company had allotted 3,67,500 equity shares under Employee Stock Option Scheme.

Dividend

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

Transfer to Reserves

During the year, Rs.37.97 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 passed a resolution for non-acceptance of deposits from public.

Asset Finance Company

During the year, your Company retained its categorisation as an Asset Finance Company (AFC) under the RBI Directions.

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 salient 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 guidelines, in compliance with the Directions issued by RBI for NBFCs, in order to enable adoption of best practices and great transparency in the business operations. A report on corporate governance is attached and forms part of this report. Chief Executive Officer and Chief Financial Officer have submitted a certificate to the Board regarding the financial statements as required under the internal guidelines on corporate governance. (Annexure B)

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

Reappointment

Mr. Gopal Mahadevan (DIN: 01746102), Non-Executive Director retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment.

Resignation

Mr. Samir Bhatia, (DIN: 01769655) Independent Director resigned from the office of directorship of the company effective from 27th February, 2018. The board places on record its deep appreciation for the significant contributions made by Mr. Samir Bhatia as members of the Board and its committees during his tenure.

Independent Directors

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.

Key Management Personnel

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

Mr. Kishore Kumar Lodha, was appointed as Chief Financial Officer of the company vide Board resolution dated 30th January, 2018. Mr. Baalashubramaniyan, was appointed as the Company Secretary of the Company vide Board resolution dated 30th January, 2018. Mr. B Shanmugasundaram, was appointed as the Company Secretary of the Company vide Board resolution dated 16th May, 2018.

Ms. J. Meenakshi, Company Secretary of the Company held office till 29th August, 2017. Mr G Vijayakumar, Chief Financial Officer of the Company held office till 10th November, 2017. Mr. Baalashubramaniyan, Company Secretary of the Company held office till 16th May, 2018

Statutory Auditors

Pursuant to the provisions of Sections 139 and 141 of the Act, M/s. B S R & Co. LLP, Chartered accountants were appointed as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting (AGM) to be held in the year 2019, subject to ratification by members at every AGM to be held during their term.



Accordingly, your directors recommend the ratification of appointment of M/s. B S R & Co. LLP, Chartered accountants, as Statutory Auditors of the Company, from the conclusion of ninth annual general meeting till the conclusion of tenth annual general meeting of the Company. The statutory auditors have confirmed their eligibility for re-appointment.

The Auditors' Report for FY 2017-18 does not contain any qualification, reservation or adverse remarks. The Auditors' Report is enclosed with the financial statements in this Annual Report.

Secretarial Audit

Pursuant to the provisions of the Act and the Rules framed thereunder, your Company appointed M/s. G Ramachandran & Associates, Company Secretaries to undertake the Secretarial Audit of the Company for FY 2017-18. The audit report is attached and forms part of this report and does not contain any qualification.(Annexure C)

Employee Stock Option Scheme

Pursuant to the approval accorded by the shareholders at the Annual General Meeting of the Company held in July 1, 2013, the Nomination and Remuneration Committee had formulated the Hinduja Employee Stock Option Plan 2013 (HSOP) under which 4,60,000 stock options were granted to the employees of the Company. As required under the provisions of the Act, read with Rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014, the details of this Scheme as on 31st March, 2018 are being provided as an Annexure to this report. (Annexure D)

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, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) for the financial year ended March 31, 2018, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgements 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, 2018.
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) the annual financial statements have been prepared on a going concern basis.
- e) that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

Extract of Annual Return

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

Number of meetings of the Board

The Board met 7 (Seven) 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 is enclosed as an Annexure to this report. (Annexure F)

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 2017-18 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 34 of the notes forming part of the financial statements in the annual report.

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, 2018) and the date of the Report (16th May, 2018).

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. The Risk Management Committee and the Asset Liability Management Committee review and monitor 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.



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 reports to the Audit Committee of the Board.

The internal audit department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Internal Audit

As part of the effort to evaluate the effectiveness of the internal control systems, your Company's internal audit function reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. The Audit Committee regularly reviews the audit findings as well as the adequacy and effectiveness of the internal control measures.

Corporate Social Responsibility initiatives

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

This being the fourth year of CSR requirement, we have, so far, put in place necessary infrastructure and processes of identifying worthy causes as well as to monitor their progress with a view to ensuring

that they are consistent with our policy, serving large public good and are sustainable over an extended period. Particulars of CSR activities and details of amount spent during the financial year is annexed to this report. The details relating to the composition of CSR Committee forms part of corporate governance report, enclosed as an Annexure to this report. (Annexure G).

Board Evaluation

Pursuant to provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015, during the year under review, the Board has carried out an annual evaluation of its own performance, and that of its committees, Chairperson and Directors facilitated by an Independent external agency M/s. AON Hewitt, India to ensure objectivity and equality based on above criteria. The process involved evaluation of the effectiveness of Board, Committees and Individual Directors and Independent feedback from all Board Members.

The overall performance evaluation exercise was completed to the satisfaction of Board. The Board of Director deliberated on the outcome of independent external agency review and feedback from Directors and necessary steps will be taken going forward.

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. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee. Your Company hereby affirms that no Director / employee has 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.



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. During the year under review, 2 complaints with allegations of sexual harassment were filed, all of which were disposed-off as per the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Significant and material orders

There has been no penalty imposed by RBI or other Regulators during the year ended 31st March 2018 other than a penalty of Rs 5.00 Lakhs purposed on the Company by RBI vide its order dated 11th April 2017.

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 excluding 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. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished without any fee.

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

The company has no activity relating to consumption of energy or technology absorption.

During the year under review, there were no foreign exchange earnings and the expenditure was at Rs 10.81 lakhs.

Industry Overview

The Commercial Vehicle (CV) industry in India grew by 23% in FY2018 primarily led by 25% growth in Light Commercial Vehicle (LCV) segment, and 12% growth in Medium & Heavy Commercial Vehicle (M&HCV) segment. This has been mainly led by higher infrastructure spend and thereby higher sales of haulage trucks and tippers, government initiating stricter enforcement of overloading, pent-up demand post GST, and overall economic recovery. This growth is despite demonetization and GST related setbacks faced during the start of the year. In FY2019, government initiatives towards higher infrastructure spend such as Bharatmala (highway construction project) and Sagarmala (setting up of new mega ports, modernization of existing ports, etc.), shift towards high-tonnage and high-powered trucks in the GST-era, the voluntary vehicle fleet modernization programme (scrappage scheme) and expected pre-buying ahead of BS VI implementation in 2020 are expected to result in a strong growth of Commercial Vehicle and Construction Equipment sales.

Three-wheeler and Small Commercial Vehicle (SCV) sales were also affected in the same lines as the CV industry in the initial half of FY2018 due to GST, post which the sales picked up. Two-wheeler sales were relatively unaffected during the year and showed positive growth during the entire course of the fiscal year. The normal monsoons, festive demand and upbeat macroeconomic scenario had a positive effect on the three-wheeler and two-wheeler industries in the second half of FY2018. The SCV and three-wheeler industry's growth in FY2019 is expected to be led by increasing last mile connectivity, growth in e-commerce industry and rising demand for cheap public conveyance. Two-wheeler growth



in FY2019 is expected to be led by lower product penetration, improved affordability, normal monsoon, changing customer demographic profile and new product launches.

The Loan Against Property (LAP) business faced significant headwinds in FY2018 with demonetization, implementation of Real Estate Regulation and Development Act (RERA) and GST. Increasing demand for property-based borrowing, increasing customer awareness of the product, favourable real estate prices and better clarity in GST are expected to be the key drivers for the segment going forward.

Despite all these positive demand drivers across various product lines, increase in fuel prices, rising interest rates, and increasing inflation (inflation has been on an uptrend since March 2018) remain key challenges that could restrict growth.

Acknowledgement

Your Directors wish to place on record their deep appreciation for the whole-hearted and sincere co-operation 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 also wish to place on record their appreciation for the unstinted co-operation and support extended by all the employees in achieving the performance of your Company.

On behalf of the Board of Directors

Place : Chennai

Dheeraj G Hinduja

Date : 16th May, 2018

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

(₹ 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	12,000 (12,00,00,000 Equity Shares of Rs.10/- each)
5)	Reserves & surplus	1,820.57
6)	Total assets	77,546.04
7)	Total Liabilities	77,546.04
8)	Investments	3,784.78
9)	Turnover	8,733.34
10)	Profit before taxation	2,336.67
11)	Provision for taxation	705.45
12)	Profit after taxation	1,631.22
13)	Proposed Dividend	Nil
14)	% of shareholding	100%

Notes:

- Names of subsidiaries which are yet to commence operations - Nil
- Names of subsidiaries which have been liquidated or sold during the year - Nil

Part “B”: Associates

S.No.	Particulars	Details
1)	Name of the associate company	HLF Services Limited
2)	Latest audited Balance Sheet Date	31 st March, 2018
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%	45.9%
4)	Description of how there is significant influence	By virtue of Company holding 45.9% of the share capital of M/s. HLF Services Limited
5)	Reason why the associate/joint venture is not consolidated	NA
6)	Net worth attributable to shareholding as per latest audited Balance Sheet	137.43
7)	Profit/(Loss)for the year	90.57
	i. Considered in Consolidation	90.57
	ii. Not Considered in Consolidation	-

1. Names of associates which are yet to commence operations - Nil

2. Names of associates which have been liquidated or sold during the year - Nil

On behalf of the Board of Directors

Place : Chennai
Date : 16th May, 2018

Dheeraj G Hinduja
Chairman

Annexure B

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 March 31, 2018, your Company's Board consists of 10 (Ten) members including the Chairman. The composition of the Board is in conformity with the provisions of Companies Act, 2013 and Corporate Governance Directions issued by Reserve Bank of India.

Composition and category of Directors

Name of the Director	Category	Designation
Mr. Dheeraj G Hinduja	Non-Executive	Director (Chairman)
Mr. S Nagarajan	Executive	Executive Vice Chairman
Mr. Gopal Mahadevan	Non-Executive	Director
Mr. Sudhanshu Tripathi	Non-Executive	Director
Mr. Atul Kapur	Non-Executive	Nominee Director
Mr. R S Sharma	Non-Executive	Independent Director
Mr. R Sundararaman	Non-Executive	Independent Director
Ms. Bhumika Batra	Non-Executive	Independent Director
Mr. D Sarkar	Non-Executive	Independent Director
Mr. Samir Bhatia	Non-Executive	Independent Director
Dr. Andreas H Biagosch	Non-Executive	Independent Director

* Mr. Samir Bhatia, Non-Executive Independent Director resigned w.e.f 27th February, 2018

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 7 (Seven) times on the following dates;

FY 2017-18	Meeting dates
April 2017 – June 2017 (Q1)	May 23, 2017
July 2017 – September 2017 (Q2)	July 19, 2017, August 29, 2017
October 2017 – December 2017 (Q3)	November 10, 2017, December 27, 2017
January 2018 – March 2018 (Q4)	January 30, 2018, March 14, 2018

The necessary quorum was present at all the meetings. In compliance with the applicable provisions of the Act and the Rules made thereunder, 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 2017-18 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	7/7	0/1
Mr. S Nagarajan	7/7	1/1
Mr. Gopal Mahadevan	7/7	1/1
Mr. Sudhanshu Tripathi	6/7	0/1
Mr. Atul Kapur	6/7	0/1
Mr. R S Sharma	7/7	0/1
Mr. R Sundararaman	5/7	0/1
Ms. Bhumika Batra	6/7	0/1
Mr. D Sarkar	7/7	0/1
Mr. Samir Bhatia*	5/6	0/1
Dr. Andreas H Biagosch	6/7	0/1

* Mr. Samir Bhatia, Non-Executive Independent Director resigned his directorship w.e.f 27th February, 2018

Separate meetings of the Independent Directors

A Separate Meeting of Independent Directors was held on 14th March 2018 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	Position Held	No. of meetings attended / eligible	Meeting Dates
Mr. R Sundararaman	Chairman	4/5	April 24, 2017 May 22, 2017 July 18, 2017 November 9, 2017 January 29, 2018
Mr. D Sarkar	Member	5/5	
Mr. Samir Bhatia*	Member	4/5	
Ms. Bhumika Batra	Member	5/5	
Mr. Gopal Mahadevan	Member	5/5	
Mr. Atul Kapur	Member	3/5	
Mr. R S Sharma ^{§§}	Member	NA	

* Mr. Samir Bhatia, Non-Executive Independent Director resigned w.e.f 27th February, 2018

^{§§} Mr. R S Sharma, Non-Executive Independent Director was inducted in the committee from 14th March, 2018

Nomination and Remuneration Committee

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

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

Name	Position Held	No. of meetings attended / eligible	Meeting Dates
Mr. R S Sharma	Chairman	4/4	May 23, 2017 August 29, 2017 November 9, 2017 January 29, 2018
Mr. Dheeraj G Hinduja	Member	4/4	
Mr. D Sarkar	Member	4/4	
Mr. Sudhanshu Tripathi	Member	3/4	

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	Position Held	No. of meetings attended / eligible	Meeting Dates
Ms. Bhumika Batra	Chairman	2/2	July 18, 2017 November 9, 2017
Mr. S Nagarajan	Member	2/2	
Mr. Sudhanshu Tripathi	Member	2/2	

Corporate Social Responsibility Committee

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

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

Name	Position Held	No. of meetings attended / eligible	Meeting Dates
Mr. Dheeraj G Hinduja	Chairman	2/2	May 22, 2017 November 9, 2017
Mr. S Nagarajan	Member	2/2	
Mr. Sudhanshu Tripathi	Member	2/2	
Ms. Bhumika Batra	Member	2/2	

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	Position Held	No. of meetings attended / eligible	Meeting Dates
Mr. D Sarkar	Chairman	2/2	May 23, 2017 November 9, 2017
Mr. S Nagarajan	Member	2/2	
Mr. R S Sharma	Member	2/2	
Mr. Atul Kapur	Member	0/2	

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

Name	Position Held	No. of meetings attended / eligible	Meeting Dates
Mr. S Nagarajan	Chairman	2/2	May 22, 2017 November 9, 2017
Mr. Gopal Mahadevan	Member	2/2	
Mr. Atul Kapur	Member	0/2	

Capital Raising Committee

The Capital Raising Committee is authorised to, among other things, approve implement, negotiate, carry out and decide upon all activities in connection with the Offer, approve amendments to the Memorandum and Articles of Association, approve dematerialization of Equity Shares, finalise and arrange for submission of Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, seek listing of the Equity Shares and submit applications and documents to relevant statutory and other authorities from time to time. Capital Raising Committee consists of Mr. Gopal Mahadevan, Chairman, Mr. S Nagarajan, Member and Mr. Atul Kapur, Member. No meeting was held during the year.

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	Position Held	No. of meetings attended / eligible	Meeting Dates
Mr. R. Sundararaman	Chairman	2/2	May 17, 2017 December 27, 2017
Mr. S Nagarajan	Member	2/2	
Mr. Gopal Mahadevan	Member	2/2	
Mr. Samir Bhatia	Member	1/2	

CEO / CFO CERTIFICATION

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

On behalf of the Board of Directors

Place : Chennai
Date : 16th May, 2018

Dheeraj G Hinduja
Chairman

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 March 31, 2018.

Place : Chennai
Date : 16th May, 2018

S. Nagarajan
Executive Vice Chairman & Whole-time Director

CEO / CFO Certification

To

The Board of Directors

Hinduja Leyland Finance Limited

- a) a) We have reviewed financial statements and the cash flow statement for the financial year ended 31st March 2018 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 compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which 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 the 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 have been no significant changes in internal control over financial reporting during this year
 - ii) There have been no significant changes in accounting policies during this year and
 - iii) There have been no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Chennai

Date : 16th May, 2018

Sachin Pillai
Chief Executive Officer

Kishore Kumar Lodha
Chief Financial Officer

Annexure C
FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

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

To
The Members,
Hinduja Leyland Finance Limited
CIN# U65993TN2008PLC069837
1, Sardar Patel Road, Guindy, Chennai – 600 032.

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 my verification of the books, papers, minute books, forms and returns filed and other records maintained by M/s Hinduja Leyland Finance Limited and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 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, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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.
- (vii) RBI Act 1934 read with applicable Rules and Regulations relating to Non- Banking Financial Companies including Systematically important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015, Reserve Bank of India (Non-Banking Financial Companies) Returns Specification, 1997
- (viii) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (ix) Employees State Insurance Act, 1948
- (x) Indian Contract Act, 1872
- (xi) Income Tax Act, 1961
- (xii) Finance Act, 1994 (Service Tax) and rules thereunder up to June 2017 and GST thereafter
- (xiii) Indian Stamp Act, 1999

- (xiv) Negotiable Instruments Act, 1881
- (xv) Payment of Bonus Act, 1965
- (xvi) Payment of Gratuity Act, 1972
- (xvii) Maternity Benefits Act, 1961
- (xviii) Minimum Wages Act, 1948
- (xix) Payment of Wages Act, 1936 and other applicable labour laws
- (xx) Shops and Establishments Act as per the respective states.

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 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 during the audit period the company has:

- A) Issued 1,05,68,101 Equity Shares of Rs.10/- each at a premium of Rs.84/- per share on right basis to its existing share holders on 23/06/2017.
- B) Issued 1,50,97,287 Equity Shares of Rs.10/- each at a premium of Rs.90/- per share on right basis to its existing shareholders on 22/09/2017.
- C) Issued 1,82,49,159 Equity Shares of Rs.10/- each at a premium of Rs.100/- per share on right basis to its existing shareholders on 30/01/2018.

Issued Secured Non - Convertible Redeemable Debenture aggregating to Rs.400.00 Crores and Unsecured Subordinate Non - Convertible Debt amounting to Rs.350.00 Crores.

Issued 3,67,500 Equity Shares under Employees Stock Option Scheme during the year under review.

FOR G RAMACHANDRAN & ASSOCIATES
Company Secretaries

G. RAMACHANDRAN
Proprietor

Place : Chennai
Date : 16th May, 2018

ACS No.9865 CoP No.3056

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

S.No.	Nature of Disclosures	Particulars																					
a)	Options granted	4,60,000																					
b)	The pricing formula	Options granted at fairmarket value																					
c)	Options vested and exercisable	2,38,000																					
d)	Options exercised	3,67,500																					
e)	The total no. of shares arising as a result of exercise of Options	3,67,500																					
f)	Options lapsed/surrendered	3,35,000																					
g)	Variation of terms of Options	NA																					
h)	Money realized by exercise of options during 2017-18	Rs.1,32,20,400																					
i)	Total number of Options in force	15,18,500																					
j)	i) Details of Options granted to Key Managerial Personnel	Mr. S Nagarajan – 20,00,000 Mr. Sachin Pillai – 2,50,000 Mr. Kishore Kumar Lodha – 1,00,000 Mr. B Shanmugasundaram – 50,000																					
	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	<table border="1"> <tbody> <tr> <td>Venkatesh Kannappan</td> <td>25,000</td> <td>6.10%</td> </tr> <tr> <td>Biswanath Dass</td> <td>25,000</td> <td>6.10%</td> </tr> <tr> <td>Vamsidhar C</td> <td>50,000</td> <td>12.20%</td> </tr> <tr> <td>Santhosh SS</td> <td>50,000</td> <td>12.20%</td> </tr> <tr> <td>K N Palani Rajan</td> <td>25,000</td> <td>6.10%</td> </tr> <tr> <td>Sameer Dixit</td> <td>50,000</td> <td>12.20%</td> </tr> <tr> <td>Rajesh Dhuri</td> <td>35,000</td> <td>8.54%</td> </tr> </tbody> </table>	Venkatesh Kannappan	25,000	6.10%	Biswanath Dass	25,000	6.10%	Vamsidhar C	50,000	12.20%	Santhosh SS	50,000	12.20%	K N Palani Rajan	25,000	6.10%	Sameer Dixit	50,000	12.20%	Rajesh Dhuri	35,000	8.54%
Venkatesh Kannappan	25,000	6.10%																					
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K N Palani Rajan	25,000	6.10%																					
Sameer Dixit	50,000	12.20%																					
Rajesh Dhuri	35,000	8.54%																					
	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	NA																					
k)	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard AS-20	Diluted EPS as of March 31, 2018 is ₹ 4.39 per share.																					
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	Compensation Cost as per the Intrinsic Value method (Rs. 84.21 lakhs) adopted by the Company is lower by Rs. 11.10 lakhs when compared to compensation cost using the fair value method (Rs. 95.31 lakhs)																					

S.No.	Nature of Disclosures	Particulars
	ii) Impact of the difference mentioned in (i)above on the profits of the company	Rs. 11.10 lakhs
	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. 65.87
	ii) Weighted average fair value of Options	Rs.79.75
n)	i) Method used to estimate the fair value of Options	Black Scholes' model
	ii) Significant assumptions used (weighted average information relating)	
	(a) Risk free interest rate	Following are the risk-free interest rates (based on government bonds) considered in the valuation methodology: <ul style="list-style-type: none"> • Options granted in March 2014 - 8.00% • Options granted in November 2016 - 6.88% • Options granted in May 2017 - 17.08% • 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 : Chennai
Date : 16th May, 2018

Dheeraj G Hinduja
Chairman

Annexure E
FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended 31st March, 2018

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

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	NBFC engaged in Asset Financing and other financial services (Financial service activities, except insurance and pension funding)	64990	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
S. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Ashok Leyland Limited	L34101TN1948PLC000105	Holding	61.85	2(46)
2	Hinduja Housing Finance Limited	U65922TN2015PLC100093	Subsidiary	100.00	2(87)
3	HLF Servies Limited	U67190TN2010PLC076750	Associate	45.90	2(6)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(f) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the end of the year [As on 31-March-2017]			No. of Shares held at the end of the year [As on 31-March-2018]			% Change during the year		
	Demat	Physical	Total	% of Total Shares	Demat	Physical		Total	% of Total Shares
A. Promoters									
(1) Indian									
a) Individual / HUF	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	271,518,288	-	271,518,288	65.88%	325,144,433	-	325,144,433	71.24%	5.36%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	271,518,288	-	271,518,288	65.88%	325,144,433	-	325,144,433	71.24%	5.36%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	271,518,288	-	271,518,288	65.88%	325,144,433	-	325,144,433	71.24%	5.36%

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the end of the year [As on 31-March-2017]			No. of Shares held at the end of the year [As on 31-March-2018]			% Change during the year
	Demat	Physical	Total	Demat	Physical	Total	
A. Promoters							
1. Institutions							
a) Mutual Funds	-	-	-	-	-	-	0.00%
b) Banks / FI	-	-	-	-	-	-	0.00%
c) Central Govt	-	-	-	-	-	-	0.00%
d) State Govt(s)	-	-	-	-	-	-	0.00%
e) Venture Capital Funds	-	-	-	-	-	-	0.00%
f) Insurance Companies	-	-	-	-	-	-	0.00%
g) FIs	-	-	-	-	-	-	0.00%
h) Foreign Venture Capital Funds	-	-	-	-	-	-	0.00%
i) Others (Clearing Member)*	-	-	-	5,000,000	-	5,000,000	1.10%
Sub-total (B)(1)	-	-	-	5,000,000	-	5,000,000	1.10%

* The no. of shares disclosed in the above table with respect to Paterson Securities Private Limited (Clearing Member) represents the shares transferred from Indusind International Holdings Limited to Hinduja Power Limited, on 31 March 2018.

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the end of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year	
	Demat		% of Total Shares		Demat		% of Total Shares			
	Physical	Total	Physical	Total	Physical	Total	Physical	Total		
2. Non-Institutions										
a) Bodies Corp.	-	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
ii) Overseas	138,403,433	-	138,403,433	33.58%	123,596,854	-	123,596,854	27.08%	-	-6.50%
b) Individuals	-	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	234,160	-	0.06%	-	87,869	-	87,869	0.02%	-0.04%
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	2,000,040	-	0.49%	-	2,608,812	-	2,608,812	0.57%	0.09%
c) Others (specify)	-	-	-	0.00%	-	-	-	-	-	0.00%
Non Resident Indians	-	-	-	0.00%	-	-	-	-	-	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	-	-	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	-	-	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	-	-	0.00%
Trusts	-	-	-	0.00%	-	-	-	-	-	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	-	-	0.00%
Sub-total (B)/(2)	-	-	-	0.00%	-	-	-	-	-	0.00%
Total Public (B)	138,403,433	2,234,200	140,637,633	34.12%	123,596,854	2,696,681	126,293,535	27.67%	-6.45%	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	-	-	0.00%
Grand Total (A+B+C)	409,921,721	2,234,200	412,155,921	100.00%	453,741,287	2,696,681	456,437,968	100.00%		

Note: Pursuant to consent of Board in its meeting held on March 23, 2016, Ashok Leyland Limited & Hinduja Power Limited were classified as promoters, other entities & individuals were declassified as promoters.

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Ashok Leyland Limited	235,749,382	57.20%	0%	282,311,000	61.85%	0%	4.65%
2	Hinduja Ventures Limited*	21,557,692	5.23%	0%	25,815,438	5.66%	0%	0.43%
3	Aasia Corporation LLP*	14,211,214	3.45%	0%	17,017,995	3.73%	0%	0.28%
		271,518,288	65.88%	0%	325,144,433	71.24%	0%	5.36%

Note : Promoter group*

(iii) Change in Promoters' Shareholding

S. No.	Particulars	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares	No. of shares	% of total shares
1	Ashok Leyland Limited					
	At the beginning of the year		235,749,382	57.20%	235,749,382	57.20%
	Changes during the year	23-Jun-17 Rights issue	6,083,195	1.33%	241,832,577	52.98%
		22-Sep-17 Rights issue	8,690,278	1.90%	250,522,855	54.89%
		30-Nov-17 Transfer	20,492,676	4.49%	271,015,531	59.38%
		30-Jan-18 Rights issue	11,295,469	2.47%	282,311,000	61.85%
	At the end of the year				282,311,000	61.85%
2	Hinduja Power Limited					
	At the beginning of the year		-	0.00%		0.00%
	Changes during the year		-	0.00%		0.00%
	At the end of the year					0.00%
3	Hinduja Ventures Limited					
	At the beginning of the year		21,557,692	5.23%	21,557,692	5.23%
	Changes during the year	23-Jun-17 Rights issue	556,267	0.12%	22,113,959	4.84%
		22-Sep-17 Rights issue	794,667	0.17%	22,908,626	5.02%
		5-Dec-17 Transfer	1,873,917	0.41%	24,782,543	5.43%
		30-Jan-18 Rights issue	1,032,895	0.23%	25,815,438	5.66%
	At the end of the year				25,815,438	5.66%

(iii) Change in Promoters' Shareholding

S. No.	Particulars	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares	No. of shares	% of total shares
4	Aasia Corporation LLP					
		At the beginning of the year	14,211,214	3.45%	14,211,214	3.45%
	Changes during the year	23-Jun-17 Rights issue 22-Sep-17 Rights issue 5-Dec-17 Transfer 30-Jan-18 Rights issue	366,701 523,859 1,235,319 680,902	0.08% 0.11% 0.27% 0.15%	14,577,915 15,101,774 16,337,093 17,017,995	3.19% 3.31% 3.58% 3.73%
	At the end of the year			17,017,995	3.73%	

(iv) Shareholding Pattern of top ten Shareholders
(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For each of the Top 10 shareholders	Reason	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	IndusInd International Holdings Limited At the beginning of the year						
		Rights issue	23-Jun-17	80,751,012	19.59%	80,751,012	19.59%
		Rights issue	22-Sep-17	2,083,671	0.46%	82,834,683	18.15%
		Transfer	6-Dec-17	2,976,673	0.65%	85,811,356	18.80%
		Rights issue	30-Jan-18	7,019,337	1.54%	92,830,693	20.34%
		Transfer	31-Mar-18	3,869,027 (5,000,000)	0.85% -1.10%	96,699,720 91,699,720	21.19% 20.09%
2	Everfin Holdings At the beginning of the year						
		Rights issue	23-Jun-17	57,652,421	13.99%	57,652,421	13.99%
		Rights issue	22-Sep-17	1,478,267	0.32%	59,130,688	12.95%
		Transfer	6-Dec-17	2,111,810 (30,621,249)	0.46% -6.71%	61,242,498 30,621,249	13.42% 6.71%
		Rights issue	30-Jan-18	1,275,885	0.28%	31,897,134	6.99%
						31,897,134	6.99%
3	PATERSON SECURITIES PRIVATE LIMITED (Clearing Member) At the beginning of the year						
		Transfer	31-Mar-18	5,000,000	1.10%	5,000,000	1.10%
		At the end of the year			5,000,000	1.10%	

(iv) Shareholding Pattern of top ten Shareholders

S. No	For each of the Top 10 shareholders	Reason	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	Sachin Pillai						
	At the beginning of the year			80,000	0.02%	80,000	0.02%
	Changes during the year	ESOP	9-Nov-17	60,000	0.01%	140,000	0.03%
5		Rights issue	30-Jan-18	5,833	0.00%	145,833	0.03%
	At the end of the year					145,833	0.03%
	Vijayakumar G						
	At the beginning of the year			40,000	0.01%	40,000	0.01%
	Changes during the year	ESOP	13-Feb-37	30,000	0.01%	70,000	0.02%
	At the end of the year					70,000	0.02%
6	Srikant Mannepalli						
	At the beginning of the year			30,000	0.01%	30,000	0.01%
	Changes during the year	ESOP	9-Nov-17	22,500	0.01%	52,500	0.01%
7		Rights issue	30-Jan-18	2,188	0.00%	54,688	0.01%
	At the end of the year					54,688	0.01%
	Pramod Kumar						
	At the beginning of the year			30,000		30,000	0.00%
	Changes during the year	ESOP Allotment	24-Feb-18	22,500	0.01%	52,500	0.01%
	At the end of the year					52,500	0.01%
8	Rajendra Godara						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year	ESOP Allotment	9-Nov-17	15,000	0.00%	15,000	0.00%
9		ESOP Allotment	24-Feb-18	37,500	0.01%	52,500	0.01%
	At the end of the year					52,500	0.01%
	Rohit Sharma						
	At the beginning of the year			20,000	0.00%	20,000	0.00%
	Changes during the year	ESOP Allotment	9-Nov-17	15,000	0.00%	35,000	0.01%
		Rights issue	30-Jan-18	1,458	0.00%	36,458	0.01%
10		ESOP Allotment	13-Feb-18	5,000	0.00%	41,458	0.01%
	At the end of the year					41,458	0.01%
	Sujit Prabhakar Akare						
	At the beginning of the year			10,000	0.00%	10,000	0.00%
	Changes during the year	ESOP Allotment	9-Nov-17	25,000	0.01%	35,000	0.01%
		Rights issue	30-Jan-18	1,458	0.00%	36,458	0.01%
	At the end of the year					36,458	0.01%

(v) Shareholding of Directors and Key Managerial Personnel

S. No	For Each of the Directors and KMP	Reason	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr.S.Nagarajan, Whole Time Director						
	At the beginning of the year			2,000,040	0.49%	2,000,040	0.49%
	Changes during the year	Rights issue	30-Jan-18	83,335	0.02%	2,083,375	0.46%
	At the end of the year			2,083,375	0.51%	2,083,375	0.46%
	Other KMPs						
2	Sachin Pillai, Chief Executive Officer						
	At the beginning of the year			80,000	0.02%	80,000	0.02%
	Changes during the year	ESOP	9-Nov-17	60,000	0.01%	140,000	0.03%
	At the end of the year	Rights issue	30-Jan-18	5,833	0.00%	145,833	0.03%
	At the end of the year			40,000	0.01%	145,833	0.03%
3	Mr.G.Vijayakumar, Chief Financial Officer*						
	At the beginning of the year			40,000	0.01%	40,000	0.01%
	Changes during the year	ESOP	13-Feb-18	30,000	0.01%	70,000	0.02%
	At the end of the year					70,000	0.02%
4	Mr.Kishore Kumar Lodha, Chief Financial Officer**						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
5	Ms. J Meenakshi, Company Secretary #						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
6	Mr.Baalasubramanian Ne., Company Secretary##						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%

* Ceased to be the Chief Financial Officer w.e.f November 10, 2017

** Appointed as Chief Financial Officer w.e.f January 30, 2018

Ceased to be the Company Secretary and Compliance Officer w.e.f August 29, 2017

Appointed as Company Secretary and Compliance Officer w.e.f January 30, 2018

V. INDEBTEDNESS

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

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	874,320	68,500	-	942,820
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	16,277	4,883	-	21,160
Total (i+ii+iii)	890,597	73,383	-	963,980
Change in Indebtedness during the financial year				
* Addition	509,199	108,791	-	617,990
* Reduction	303,458	-	-	303,458
Net Change	205,741	108,791	-	314,532
Indebtedness at the end of the financial year				
i) Principal Amount	1,080,061	177,291	-	1,257,352
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	13,275	5,944	-	19,219
Total (i+ii+iii)	1,093,336	183,235	-	1,276,571

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S.No.	Particulars of Remuneration		Total Amount (₹ in Lakhs)
	Name	S.Nagarajan	
	Designation	Executive Vice Chairman	
1	Gross salary	276.00	276.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	276.00	276.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify		-
	Total (A)	276.00	276.00
	Ceiling as per the Act		1,700.32

B. Remuneration to other directors:

S.No.	Particulars of Remuneration	Name of Directors						Total Amount (₹ in Lakhs)
		Mr. R Sundararaman	Mr. R S Sharma	Mr. Debabrata Sarkar	Ms. Bhumika Batra	Mr. Samir Bhatia*	Mr. Andreas Biagosch	
1	Independent Director							
	- Fee for attending board / committee meetings	8.00	10.00	12.50	9.50	7.50	5.00	52.50
	- Commission	-	-	-	-	-	-	-
	- Others, please pecify	-	-	-	-	-	-	-
	Total (1)	8.00	10.00	12.50	9.50	7.50	5.00	52.50

B. Remuneration to other directors:

S.No.	Particulars of Remuneration	Name of Directors				Total Amount (₹ in Lakhs)
		Mr. Dheeraj Hinduja	Mr. Gopal Mahadevan	Mr. Sudhanshu Tripathi	Mr. Atul Kapur	
2	Other Non-Executive Directors					
	- Fee for attending board / committee meetings	9.00	11.50	8.50	-	29.00
	- Commission	-	-	-	-	-
	- Others, please pecify	-	-	-	-	-
	Total (2)	9.00	11.50	8.50	-	29.00
	Total Managerial Remuneration (1) + (2)					81.50
	Overall ceiling as per the Act					340.06

Note : Mr. Samir Bhatia, Independent Director resigned his directorship w.e.f 27th February, 2017

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

S.No.	Particulars of Remuneration	Name	Name of Key Managerial Personnel					Total Amount (₹ /Lakhs)
			Mr. Sachin Pillai	Mr. G. Vijayakumar*	Mr. Kishore Kumar Lodha**	Ms. J Meenakshi #	Mr. Baalsubramanian Ne. ##	
			Designation	CEO	CFO	CFO	CS	
1	Gross salary		207.12	32.32	23.23	9.80	8.96	281.43
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961		-	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-	-	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) Income- tax Act, 1961		-	-	-	-	-	-
2	Stock Option		17.71	13.85	-	-	-	31.56
3	Sweat Equity		-	-	-	-	-	-
4	Commission		-	-	-	-	-	-
	- as % of profit		-	-	-	-	-	-
	- others, specify		-	-	-	-	-	-
5	Others, please specify		-	-	-	-	-	-
	Total		224.83	46.18	23.23	9.80	8.96	312.99

* Ceased to be the Chief Financial Officer w.e.f November 10, 2017

** Appointed as Chief Financial Officer w.e.f January 30, 2018

Ceased to be the Company Secretary and Compliance Officer w.e.f August 29, 2017

Appointed as Company Secretary and Compliance Officer w.e.f January 30, 2018

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

Note:

There has been no penalty imposed by RBI or other Regulators during the year ended 31st March 2018 other than a penalty of Rs 5.00 Lakhs purposed on the Company by RBI vide its order dated 11th April 2017.

Annexure F

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

9. Post-Retirement Benefits

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

10. Severance Arrangements

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

On behalf of the Board of Directors

Place : Chennai
Date : 16th May, 2018

Dheeraj G Hinduja
Chairman

Annexure G

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2017-18

S.No.	Particulars	Details
1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	CSR Policy of the Company specifies the activities to be undertaken by the Company as recommended by the CSR Committee and approved by the Board of Directors in such projects or programs relating to activities specified in Schedule VII of the Act. The Company's CSR Policy has been uploaded on the website of the Company under the web-link: www.hindujaleylandfinance.com
2.	The composition of the CSR Committee	Mr. Dheeraj G Hinduja –Chairman Mr. S. Nagarajan - Member Mr. Sudhanshu Tripathi - Member Ms. Bhumika Batra – Member (Independent Director)
3.	Average net profit of the company for last three financial years	₹ 21,553.90 Lakhs
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 431.08 Lakhs
5.	Details of CSR spent during the financial year:	
	a) Total amount to be spent for the financial year 2016-17	₹ 431.08 Lakhs
	b) Amount unspent, if any	₹ 381.08 Lakhs



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

1	2	3	4	5	6	7	8
S. No.	CSR project or activity Identified	Sector in which the project is covered	Projects or Programs 1) local area or other 2) specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs-wise.	Amount Spent on the Projects or Programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative Expenditure Up to the Reporting Period	Amount Spent direct Or through Implementing Agency (with details of implementing agency
1	Treating Diabetic Patients from underprivileged families	Health care	Chennai	₹ 15 Lakhs	₹ 15 Lakhs	₹ 15 Lakhs	Dr. Mohan Diabetes Specialities Centre
2	Rural Water Scarcity Alleviation Project	Making available safe drinking water	Rede Village, District Solapur, Maharashtra.	₹ 25 Lakhs	₹ 25 Lakhs	₹ 25 Lakhs	Mukul Madhav Foundation
3	Towards treatment of Paediatric Cancer	Health care	Mumbai	₹ 10 Lakhs	₹ 10 Lakhs	₹ 10 Lakhs	St. Judes India Child Caren Centres
	Total				₹ 50 Lakhs	₹ 50 Lakhs	

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

For FY 2017-18, the Company has spent Rs.50 lakhs as against the required sum of Rs.431.08 Lakhs. The Company would be meeting its CSR obligations during FY 2018-19 including the amount unspent to the tune of Rs.381.08 lakhs in line with the progress of the relevant projects.

7. Responsibility Statement by the Corporate Social Responsibility Committee

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

On behalf of the Board of Directors

Place : Chennai
Date : 16th May, 2018

S. Nagarajan
*Executive Vice Chairman
& Whole-time Director*

Dheeraj G Hinduja
*Director Chairman -
CSR Committee*

Report on the Audit of the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Hinduja Leyland Finance Limited ("the Company"), which comprise the balance sheet as at March 31, 2018, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein referred to as "financial statements").

Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Companies (Accounting Standard) Rules, 2006 prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We are also responsible to 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 entity's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a

basis for our audit opinion on the financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit and its cash flows for the year ended on that date.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we enclose in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the said Order.

2. As required by Section 143(3) of the Act, we report that:

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) 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 and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Accounting Standard) Rules, 2006;
- (e) on the basis of written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 33 to the standalone financial statements;
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts, including derivative contracts – Refer note 24 to the financial statements;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - (iv) The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made since they do not pertain to the financial year ended March 31, 2018. However amounts as appearing in the audited financial statements for the year ended March 31, 2017 have been disclosed.

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No: 101248W/W-100022

Ashish Gupta

Partner

Membership No. 215165

Place : Chennai

Date : 16th May, 2018



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

to the member of Hinduja Leyland Finance Limited for the year ended 31st March 2018
(referred to in our report of even date)

HINDUJA LEYLAND FINANCE

- i. (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 by which all fixed assets are verified over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, some of the fixed assets were verified during the year and as explained to us, no material discrepancies were noticed on such verification.
(c) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The Company is a non-banking financial company and primarily engaged in lending activities; accordingly it does not hold any physical inventories. Thus paragraph 3(ii) of the order is not applicable.
- iii. In our opinion and according to the information and explanation given to us, the Company has granted unsecured loans to two companies covered in the register maintained under section 189 of the Companies Act, 2013;
(a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the companies / other parties listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
(b) In the case of the loans granted to the companies / other parties listed in the register maintained under Section 189 of the Act, the borrowers have been regular in the payment of principal and interest as stipulated.
(c) There are no overdue amounts in respect of the loan granted to companies / other parties listed in the register maintained under Section 189 of the Act.
- iv. According to the information and explanations given to us, the Company has not undertaken any transaction in respect of loan, guarantees and security covered under Section 185 of the Act. The Company has complied with the provisions of Section 186(1) of the Act in relation to investments made by the Company. The remaining provisions related to section 186 of the Act do not apply to the Company as it is a non-banking financial company.
- v. As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions of paragraph 3(v) of the Order are not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148 of the Companies Act, 2013 for any of the services rendered by the Company. Accordingly paragraph 3(vi) of the order is not applicable.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, service tax, value added tax, and any



other statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, employees' state insurance, duty of customs, duty of excise and cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, service tax, value

added tax, any other statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable

- (b) According to the information and explanations given to us, there are no dues in respect of income tax or service tax or value added tax that have not been deposited with the appropriate authorities on account of any disputes except in the following cases.

Name of the statute	Nature of the due	Amount (INR)	Period to which amount relates	Forum where dispute is pending
Rajasthan VAT Act, 2003	Value added tax	4,057,397	2011-12 to 2014-15	Appellate Authority
Odisha Value Added Tax Act, 2004	Value added tax	38,500	April 2012 to March 2013	Additional Commissioner of Commercial Taxes (Appeal), South Zone, Berhampur
Andhra Pradesh Value Added Tax Act, 2005	Value added tax	1,755,227	April 2011 to March 2012	High Court of Judicature at Hyderabad

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions or bank or debenture holders. The Company does not have any loans or borrowings from government.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. However, the Company has raised term loans during the year. In our opinion and according to the information and explanations given to us, term loans taken by the Company have been applied for the purpose for which they were raised.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year,

except in respect of loans pertaining to its vehicle finance business aggregating to INR 31.65 lakhs which were identified by the management and reported to Reserve Bank of India. As at March 31, 2018, the above amount has been provided for/ written off in the statement of profit and loss.

- (xi) According to information and explanations given to us and on the basis of our examination of the records of the Company, the managerial remuneration has been provided and paid by the Company in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

to the member of Hinduja Leyland Finance Limited for the year ended 31st March 2018
(referred to in our report of even date)

HINDUJA LEYLAND FINANCE

- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details as required by the applicable accounting standards have been disclosed in the financial statements.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with

such directors. Accordingly, paragraph 3(xv) of the Order is not applicable.

- (xvi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has obtained the registration required under section 45-IA of the Reserve Bank of India Act 1934.

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No: 101248W/W-100022

Ashish Gupta

Partner

Membership No. 215165

Place : Chennai

Date : 16th May, 2018



ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

to the member of Hinduja Leyland Finance Limited for the year ended 31st March 2018
(referred to in our report of even date)

HINDUJA LEYLAND FINANCE

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

We have audited the internal financial controls with reference to financial statements of **Hinduja Leyland Finance Limited** ("the Company") as of March 31, 2018 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 with reference to financial statements 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 ("Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent

applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 with reference to financial statements 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 with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that,



ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

to the member of Hinduja Leyland Finance Limited for the year ended 31st March 2018
(referred to in our report of even date)

HINDUJA LEYLAND FINANCE

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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements 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, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control with reference to financial statements 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.

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No: 101248W/W-100022

Ashish Gupta

Partner

Membership No. 215165

Place : Chennai

Date : 16th May, 2018

BALANCE SHEET
As at 31st March 2018

	Note	31 Mar 2018	INR In Lakhs 31 Mar 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	45,643.80	41,215.59
Reserves and surplus	4	167,679.69	107,802.48
		213,323.49	149,018.07
Non-current liabilities			
Long-term borrowings	5	835,814.31	610,953.80
Other long-term liabilities	6	9,868.47	4,488.17
Long-term provisions	7	7,425.02	5,435.32
		853,107.80	620,877.29
Current liabilities			
Short-term borrowings	8	123,490.31	36,406.45
Trade payables			
- Dues to micro and small enterprises		-	-
- Dues to others	9	85.77	190.53
Other current liabilities	10	343,625.43	335,869.64
Short-term provisions	7	16,611.11	14,247.56
		483,812.62	386,714.18
TOTAL		1,550,243.91	1,156,609.54
ASSETS			
Non-Current Assets			
Fixed assets			
- Property, plant and equipment	11	4,715.31	4,605.89
- Intangible assets	12	33.44	51.20
- Capital work-in-progress		-	108.87
		4,748.75	4,765.96
Non-current investments	13	95,561.22	65,306.73
Deferred tax asset (net)	14	7,168.56	6,010.80
Long-term loans and advances	15	903,033.24	625,105.58
Other non-current assets	16	14,616.21	2,719.57
		1,025,127.98	703,908.64
Current Assets			
Current investments	17	25,989.00	21,898.52
Cash and bank balances	18	13,218.13	6,565.69
Short-term loans and advances	19	457,401.65	402,941.36
Other current assets	20	28,507.15	21,295.33
		525,115.93	452,700.90
TOTAL		1,550,243.91	1,156,609.54
Significant accounting policies	2		

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

As per our report of even date

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm's registration number: 101248W/ W-100022

Ashish Gupta

Partner

Membership No: 215165

Place : Chennai

Date : 16th May, 2018

For and on behalf of the Board of Directors of

Hinduja Leyland Finance Limited

Dheeraj G Hinduja

Chairman

DIN No : 00133410

Kishore Kumar Lodha

Chief Financial Officer

Place : Chennai

Date : 16th May, 2018

S Nagarajan

Executive Vice Chairman

DIN No : 00009236

B Shanmugasundaram

Company Secretary

STATEMENT OF PROFIT AND LOSS
For the year ended 31st March 2018

		INR In Lakhs	
	Note	31 Mar 2018	31 Mar 2017
Revenue			
Revenue from operations	21	195,936.30	148,631.27
Total revenue		195,936.30	148,631.27
Expenses			
Employee benefits	22	7,168.08	6,042.22
Finance cost	23	97,574.96	83,366.69
Depreciation and amortisation	11 and 12	600.00	581.65
Provisions and write off	24	43,096.12	20,657.37
Other expenses	25	18,759.05	11,997.35
Total expenses		167,198.21	122,645.28
Profit before exceptional items and tax		28,738.09	25,985.99
Exceptional items	26	-	310.00
Profit before tax		28,738.09	25,675.99
Tax expense:			
- Current tax		10,912.23	11,535.19
- Deferred tax credit		(1,157.76)	(2,612.02)
Profit after tax		18,983.62	16,752.82
Earnings per equity share of ₹ 10 each	27		
-Basic (in Rupees)		4.39	4.32
-Diluted (in Rupees)		4.39	4.31
Significant accounting policies	2		

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

As per our report of even date

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm's registration number: 101248W/ W-100022

Ashish Gupta

Partner

Membership No: 215165

Place : Chennai

Date : 16th May, 2018

For and on behalf of the Board of Directors of

Hinduja Leyland Finance Limited

Dheeraj G Hinduja

Chairman

DIN No : 00133410

Kishore Kumar Lodha

Chief Financial Officer

Place : Chennai

Date : 16th May, 2018

S Nagarajan

Executive Vice Chairman

DIN No : 00009236

B Shanmugasundaram

Company Secretary

CASH FLOW STATEMENT
For the year ended 31st March 2018

		INR In Lakhs	
	Note	31 Mar 2018	31 Mar 2017
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before tax		28,738.09	25,675.99
Adjustments:			
Depreciation and amortisation		600.00	581.65
Contingency provision on standard assets		1,830.00	1,197.35
Provision for non-performing assets		2,524.64	8,564.15
Bad debts written off		11,495.01	302.11
Share based payment expense		84.21	137.67
Fixed assets written off		-	0.34
Discount on commercial papers		3,190.33	2,728.56
OPERATING CASH FLOW BEFORE WORKING CAPITAL CHANGES		48,462.28	39,187.82
Adjustments:			
(Increase) in loan to customers, excluding repossessed assets		(303,658.31)	(227,618.99)
(Increase) in repossessed assets		(6,667.77)	(372.86)
(Increase) in loans and advances		(37,983.27)	(13,848.03)
Increase in current, non-current liabilities and provisions		10,442.48	19,916.54
Net cash (used in) operations		(289,404.59)	(182,735.52)
Taxes paid (net)		(13,697.66)	(10,177.93)
NET CASH (used in) OPERATING ACTIVITIES (A)		(303,102.25)	(192,913.45)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Investment in pass through securities (net)		(11,662.35)	1,819.05
Investment in funds		-	(10,000.00)
Investment in security receipts		(17,000.00)	-
Investment in redeemable non-convertible debentures (net)		(2,682.62)	(31,950.84)
Investment in equity shares of subsidiary company		(3,000.00)	(7,500.00)
Bank deposits (having original maturity of more than three months)		(8,564.09)	5,057.71
Purchase of fixed assets (tangible and intangible assets) including capital work-in-progress and capital advances		(582.79)	(998.60)
NET CASH (USED IN) INVESTING ACTIVITIES (B)		(43,491.85)	(43,572.68)

CASH FLOW STATEMENT
For the year ended 31st March 2018

		INR In Lakhs	
	Note	31 Mar 2018	31 Mar 2017
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of equity shares including securities premium (net)		45,237.59	25,244.63
Proceeds from borrowings		494,500.00	400,500.00
Repayments of borrowings		(267,052.02)	(169,860.96)
Proceeds from working capital loan / cash credit and commercial paper (net)		83,893.52	(25,666.76)
NET CASH FROM FINANCING ACTIVITIES (C)		356,579.09	230,216.91
Net increase in cash and cash equivalents (A+B+C)		9,984.99	(6,269.22)
Cash and Cash Equivalents at the beginning of the year		2,593.97	8,863.19
Cash and Cash Equivalents at the end of the year		12,578.96	2,593.97
Components of cash and cash equivalents	18		
Cash and cheques on hand		8,215.24	1,480.27
Balances with banks			
-in current accounts		4,363.72	1,113.70
		12,578.96	2,593.97
Significant accounting policies	2		

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

As per our report of even date

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm's registration number: 101248W/ W-100022

Ashish Gupta

Partner

Membership No: 215165

Place : Chennai

Date : 16th May, 2018

For and on behalf of the Board of Directors of

Hinduja Leyland Finance Limited

Dheeraj G Hinduja

Chairman

DIN No : 00133410

Kishore Kumar Lodha

Chief Financial Officer

Place : Chennai

Date : 16th May, 2018

S Nagarajan

Executive Vice Chairman

DIN No : 00009236

B Shanmugasundaram

Company Secretary

1 Company overview

Hinduja Leyland Finance Limited (the Company), incorporated 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.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared and presented under the historical cost convention using the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("Indian GAAP"), the requirements of the Companies Act 2013, including the Accounting Standards as prescribed by Section 133 of the Companies Act 2013 (the Act), read with Companies (Accounting Standard) Rules, 2006 to the extent applicable and conform to the statutory requirements, circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time to the extent they have an impact on the financial statements and current practices prevailing in India.

The financial statements are presented in Indian rupees rounded off to the nearest lakh upto two decimal places.

All assets and liabilities have been classified into current or non-current as per the normal operating cycle of the Company and other criteria as set out in Schedule III to the Companies Act, 2013. Based on the nature of the services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

2.2 Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles ('GAAP') requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, disclosure of contingent liabilities as on the date of the financial statements and the reported income and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Loan to customers

Loan to customers include assets given on finance / loan and amounts paid for acquiring financial assets from other Banks / NBFCs.

Loan to customers represents amounts receivable under finance / loan agreements and are valued at net investment amount including installments due and is net of amounts securitised / assigned and includes advances under such agreements.

2.4 Revenue recognition

- a) Interest / finance income from loans to customers included in revenue from operations represents interest income arrived at based on internal rate of return method. Interest income is recognised as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable, except in the case of non-performing assets (NPA) where it is recognised upon realization as per RBI Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) directions, 2016 ("RBI guidelines"/ "prudential norms").

b) Income on securitisation / assignment

In respect of transfer of financial assets by way of securitisation or assignment, the said assets are de-recognized upon contractual transfer thereof, and transfer of substantial risks and rewards to the purchaser. The gain arising on transfer of financial assets by way of securitisation or assignment, if received in cash, is amortised over the tenure of the related financial assets, and if received by way of excess interest spread, is recognised based on accrual basis. Loss on sale, if any, is charged to statement of profit and loss immediately at the time of sale.

- c) Upfront service charges, processing fee and documentaion charges pertaining to loan origination is amortised over the tenure of the loan.
- d) Interest on fixed deposits, pass-through securities, debentures and mutual funds is recognised on an accrual basis.
- e) Income from other services is recognized on accrual basis.
- f) The sale of non-performing assets is accounted for as per the guidelines prescribed by RBI. On sale, the assets are derecognised from the books. If the sale proceeds are lower than the net book value ('NBV') (i.e., book value less provisions held), the shortfall is charged to the statement of profit and loss in the year of sale. In case of sale other than in cash, if the sale proceeds are higher than the NBV, the excess provision is written back in the year the amounts are received, as required by the RBI.
- g) Income on security receipts ('SRs') are recognised only after the full redemption of the entire principal amount of SRs.

2.5 Provisioning for non-performing assets and doubtful debts

Loans, advances and receivables are identified as bad / doubtful based on the duration of the delinquency. Provisions for such non-performing assets and doubtful debts are made based on the management's assessment of the degree of impairment and the level of provisioning meets the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended by Reserve Bank of India from time to time for the period ('Framework'). These provisioning norms are considered the minimum and additional provision is made based on perceived credit risk where necessary.

All contracts which as per the management are not likely to be recovered are considered as loss assets and written off as bad debts. Recoveries made from written off contracts are included in 'other operating income'.

2.6 Contingency provision on standard assets

Contingency provision on standard assets is made as per the Prudential norms as applicable from time to time. Such provision is disclosed as 'contingency provision on standard assets' under the financial statement caption 'provisions'.

2.7 Property, plant and equipments, intangible assets and capital work-in-progress

Property, plant and equipments are carried at cost less accumulated depreciation. The cost of Property, plant and equipments includes non-refundable taxes, duties, freight and other incidental expenses incurred in relation to the acquisition and installation of the respective assets.

Advances paid towards the acquisition of Property, plant and equipments outstanding at each balance sheet date are disclosed under long term loans and advances. The cost of Property, plant and equipments not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress.

Intangible assets are recorded at the consideration paid for acquisition / development and licensing less accumulated amortisation.

2.8 Depreciation and amortisation

Depreciation on Property, plant and equipments is provided using the straight line method over the estimated useful life of each asset as determined by the management. The useful life estimates prescribed in Part C of Schedule II to the Companies Act, 2013 are generally adhered to, except in respect of asset classes where, based on technical evaluation, a different estimate of useful life is considered suitable.

Pursuant to this policy, the useful life of the assets is estimated at:

Assets Description	Useful life
Building	20 years
Furniture and Fittings	8 years
Vehicles	5 years
Office equipment	5 years
Servers and computers (included in office equipment)	3 -5 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 is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed.

Intangible assets are amortised over their estimated useful lives, not exceeding five years, on a straight-line basis, commencing from the date the asset is available to the Company for its use.

2.9 Impairment

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

2.10 Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long-term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments".

Investment in security receipts (SRs) is recognised at lower of: (i) net book value (NBV) (i.e., book value less provisions held) of the financial asset; and (ii) estimated redemption value of SRs at the end of each reporting period, as prescribed by RBI. Accordingly, in cases where the SRs issued by the Securitisation Company / Asset Reconstruction Company (SC/ARC) are limited to the actual realisation of the underlying financial assets, the net asset value, obtained from the SC/ARC, is reckoned for

valuation of such investments. The SRs outstanding and not redeemed as at the end of the resolution period are treated as loss assets and are fully provided for.

Long-term investments (including current portion thereof) are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each investment.

Any reduction in the carrying amount and any reversals of such reductions are charged or credited to the statement of profit and loss.

2.11 Repossessed assets

Repossessed assets are valued at lower of amounts due from the customer or net realisable value.

2.12 Employee benefits

a) Provident fund

Contributions paid / payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss.

b) Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.

Actuarial gains and losses are recognised immediately in the statement of profit and loss.

c) Compensated absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

d) Employee stock option plan

The intrinsic value i.e. excess of fair value of shares, at the date of grant of options under the Employee Stock Option Plan of the Company, over the exercise price is regarded as employee compensation. This is recognised over the period which the employees would become unconditionally entitled to apply for the underlying shares.

2.13 Loan origination costs

Sourcing expenses, brokerage, commission, service provider fee, incentives etc. paid for loan origination are charged to expense over the tenure of the loan and included under other expenses – Sourcing expenses / Service provider fees.

2.14 Provision

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. is recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

2.15 Income taxes

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in statement profit or loss.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

2.16 Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.17 Transactions in foreign currencies

Foreign currency denominated monetary assets and liabilities are translated at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date

when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

2.18 Borrowing cost

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the company in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition and construction of those Property, plant and equipments which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are amortised over the tenor of the respective loan.

2.19 Operating leases

Lease payments for assets taken on an operating lease are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

2.20 Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit after tax attributable to the equity shareholders for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The diluted potential equity shares have been adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares).

In computing diluted earnings per share, only potential equity shares that are dilutive and that reduce profit / loss per share are included.

2.21 Cash and cash equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

2.22 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.23 Segment reporting

The Company is engaged in the business of financing and related activities. Further, the Company does not have any separate geographic segments other than India. There are no separate reportable segments as per AS 17 - Segment Reporting.

INR In Lakhs

	31 Mar 2018	31 Mar 2017
3 SHARE CAPITAL		
Authorised		
622,907,700 (Previous year: 622,907,700) equity shares of ₹ 10/- each	62,290.77	62,290.77
	62,290.77	62,290.77
Issued, subscribed and paid up Equity share capital:		
456,437,968 (Previous year: 412,155,921) equity shares of ₹ 10/- each	45,643.80	41,215.59
	45,643.80	41,215.59

a) **Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:**

	As at 31 Mar 2018		As at 31 Mar 2017	
	No	Amount	No	Amount
Equity shares				
Outstanding at the beginning of the year	412,155,921	41,215.59	378,718,619	37,871.86
Issued during the year	44,282,047	4,428.21	33,437,302	3,343.73
Outstanding at the end of the year	456,437,968	45,643.80	412,155,921	41,215.59

b) **Terms/ rights attached to equity shares**

The Company has a single class of equity shares having face value of Rs. 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**

	As at 31 Mar 2018		As at 31 Mar 2017	
	No.	% holding	No.	% holding
Equity shares				
Ashok Leyland Limited; holding company	282,311,000	61.85%	235,749,382	57.20%

INR In Lakhs

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

Equity shares	As at 31 Mar 2018		As at 31 Mar 2017	
	No.	% holding in class	No.	% holding in class
Ashok Leyland Limited; holding company	282,311,000	61.85%	235,749,382	57.20%
IndusInd International Holdings Limited	91,699,720	20.09%	80,751,012	19.59%
Everfin Holdings	31,897,134	6.99%	57,652,421	13.99%
Hinduja Ventures Limited	25,815,438	5.66%	21,557,692	5.23%

e) Shares reserved for issue under employee stock option plan

	As at 31 Mar 2018		As at 31 Mar 2017	
	No.	Amount	No.	Amount
Under Employee stock option scheme, 2013, at an exercise price as determined by the Nomination and Remuneration Committee	19,906,191	1,990.62	19,906,191	1,990.62

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 31 March 2018, 2,601,500 (Previous year: 2,234,000) equity shares issued under employee stock option plan for which only exercise price has been received in cash.

4 RESERVES AND SURPLUS

	As at 31 Mar 2018	INR In Lakhs As at 31 Mar 2017
I. Securities premium account		
At the beginning of the year	36,654.11	14,466.21
Add : Premium received on equity shares	40,809.38	21,900.90
Add : Transferred from employee stock option outstanding account	27.00	287.00
At the end of the year	77,490.49	36,654.11
II. Employee stock option outstanding account		
At the beginning of the year	51.48	200.81
Add : Share based payment expense for the year	84.21	137.67
Less : Transferred to securities premium account on exercise of stock options	(27.00)	(287.00)
At the end of the year	108.69	51.48

	INR In Lakhs	
	As at 31 Mar 2018	As at 31 Mar 2017
III. Statutory Reserve		
(As per Section 45-IC of Reserve Bank of India Act, 1934)		
At the beginning of the year	14,261.54	10,910.98
Add : Amount transferred from surplus in statement of profit and loss	3,796.72	3,350.56
At the end of the year	18,058.26	14,261.54
IV. Surplus in statement of profit and loss		
At the beginning of the year	56,835.35	43,433.09
Add : Profit for the year	18,983.62	16,752.82
Less : Transfer to statutory reserve	(3,796.72)	(3,350.56)
Net surplus in the statement of profit and loss	72,022.25	56,835.35
Total reserves and surplus	167,679.69	107,802.48

5 LONG-TERM BORROWINGS

	Non-current portion		Current portion*	
	31 Mar 2018	31 Mar 2017	31 Mar 2018	31 Mar 2017
UNSECURED				
10,350 (Previous year: 6,850)				
Subordinated redeemable non-convertible debentures	103,500.00	68,500.00	-	-
SECURED				
23,850 (Previous year: 25,300)				
Redeemable non-convertible debentures	208,600.00	198,500.00	29,900.00	72,500.00
Term loans from banks	523,714.31	343,933.04	268,119.43	222,920.43
Vehicle loan	-	20.76	28.13	39.67
	835,814.31	610,953.80	298,047.56	295,460.10

* included in other current liabilities (refer note 10)

5.1 DETAILS RELATING TO TERM LOANS

Repayment terms	Remaining installments		Total amount repayable	
	31 Mar 2018	31 Mar 2017	31 Mar 2018	31 Mar 2017
Monthly	147	36	14,363.06	4,957.39
Quarterly	332	276	405,308.44	320,397.23
Half-yearly	37	31	316,328.91	224,832.19
Annual	8	5	40,833.33	16,666.66
On maturity	1	-	15,000.00	-
			791,833.74	566,853.47

- The term loans from banks carry interest rates ranging from "Marginal Cost of Funds based Lending Rate (MCLR) of the respective bank" to "MCLR of the respective bank + 1.10% per annum" and the loan period ranges from 3 to 8 years. As at 31 March 2018, the rate of interest across the loans was in the range of 8.15% p.a to 10.70% p.a.

INR In Lakhs

- 2) Vehicle loans amounting to INR 28.13 (Previous year : INR 60.43) are repayable in monthly instalments over a period of 4 years, the balance payable as of March 31, 2018 is payable within the next 12 months and shown as "Current portion" , refer note 10.

5.2 Details relating to subordinated redeemable non-convertible debentures

10,350 (Previous year : 6,850) debentures were issued with a face value of Rs. 1,000,000/-. These debentures carry interest rates ranging from 9.20% p.a. to 12.40% p.a. and the redemption period is 5 to 7 years.

5.3 Details relating to redeemable non-convertible debentures

Out of 23,850 (Previous year : 25,300) debentures,

- a) Nil (Previous year : 1,200) debentures were issued with a face value of Rs. 2,500,000/-. These debentures carry interest rates at 10.50% p.a. and the redemption period is 3 years from the date of allotment.
- b) 14,350 (Previous year: 14,600) debentures were issued with a face value of Rs. 1,000,000/-. As at 31 March 2018, these debentures carry interest rates ranging from 8.33% p.a. to 10.65% p.a. and the redemption period is ranging from 1 year to 5 years from the date of allotment.
- c) 9,500 (Previous year: 9,500) debentures were issued with a face value of Rs. 1,000,000/-. These debentures carry interest rates ranging from "Base rate of State Bank of India" to "Base rate of State Bank of India + 0.05%" and the redemption period is 5 years from the date of allotment. As at 31 March 2018, the rate of interest was in the range of 8.70% p.a to 8.97% p.a.

The aforesaid debentures are listed at Bombay Stock Exchange.

5.4 Nature of security

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

Term loans from banks are secured by hypothecation of designated assets on finance / loan and future receivables therefrom, and investments in pass through certificates.

Vehicle loans are secured against the underlying vehicles.

6 OTHER LONG-TERM LIABILITIES

From related parties

Security deposits from Hinduja Housing Finance Limited
(Subsidiary Company)

Others

Income received in advance

Other payable

	31 Mar 2018	31 Mar 2017
Security deposits from Hinduja Housing Finance Limited (Subsidiary Company)	162.00	162.00
Income received in advance	6,969.26	4,326.17
Other payable	2,737.21	-
	9,868.47	4,488.17

7 PROVISIONS

Contingency provision on standard assets

Provision for non-performing assets (also refer note 31)

Provision for employee benefits

- Gratuity

- Compensated absence

	Long-term		Short-term	
	31 Mar 2018	31 Mar 2017	31 Mar 2018	31 Mar 2017
Contingency provision on standard assets	3,462.42	2,265.78	1,784.49	1,151.13
Provision for non-performing assets (also refer note 31)	3,798.69	2,997.15	14,746.45	13,023.35
Provision for employee benefits				
- Gratuity	-	-	29.24	48.36
- Compensated absence	163.91	172.39	50.93	24.72
	7,425.02	5,435.32	16,611.11	14,247.56

	31 Mar 2018	INR In Lakhs 31 Mar 2017
8 SHORT-TERM BORROWINGS		
UNSECURED		
Commercial papers		
Face value	75,000.00	-
Less: Unmatured discounting charges	(1,209.14)	-
	73,790.86	-
SECURED		
Cash credit and working capital demand loans from banks	49,699.45	36,406.45
	123,490.31	36,406.45

Commercial papers carry interest rate ranging from 7.67% p.a. to 8.12% p.a.

Cash credit and working capital demand loans from banks are secured by pari passu charge on receivables other than those that are specifically charged to the lenders. These facilities carry interest rates ranging from "MCLR of the respective bank" per annum" to "MCLR of the respective bank + 1.10% per annum". As at 31 March 2018, the rate of interest across the loans was in the range of 8.25% p.a to 10.35% p.a.

	31 Mar 2018	INR In Lakhs 31 Mar 2017
9 TRADE PAYABLES		
- Dues to micro enterprises and small enterprises	-	-
- Dues to creditors other than micro enterprises and small enterprises	85.77	190.53
	85.77	190.53

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2 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.

	31 Mar 2018	INR In Lakhs 31 Mar 2017
10 OTHER CURRENT LIABILITIES		
Current maturities of long-term borrowings (refer note 5)	298,047.56	295,460.10
Interest accrued but not due on borrowings	19,218.96	21,160.88
Income received in advance	2,372.81	2,824.05
Dues to		
Assignees towards collections in assigned assets	22,820.85	15,042.55
Employees	536.99	442.86
Statutory authorities	622.70	933.61
Others	5.56	5.59
	343,625.43	335,869.64

INR In Lakhs

Particulars	Freehold land	Building	Leasehold improvements	Furniture and fittings	Vehicles	Office equipment	Total
Gross Block							
At 1 April 2016	2,066.15	952.45	223.51	632.13	630.74	1,133.10	5,638.08
Additions	-	509.16	41.23	51.58	257.33	219.64	1,078.94
Deletions	-	-	-	-	-	0.34	0.34
At 31 March 2017	2,066.15	1,461.61	264.74	683.71	888.07	1,352.40	6,716.68
Additions	-	334.90	71.02	34.99	37.31	216.23	694.45
Deletions	-	-	-	-	-	7.99	7.99
At 31 March 2018	2,066.15	1,796.51	335.76	718.70	925.38	1,560.64	7,403.14
Accumulated Depreciation							
At 1 April 2016	-	117.09	143.11	332.23	242.82	714.52	1,549.77
Charge for the year	-	48.60	81.98	68.13	133.99	228.32	561.02
Deletions	-	-	-	-	-	-	-
At 31 March 2017	-	165.69	225.09	400.36	376.81	942.84	2,110.79
Charge for the year	-	83.00	44.00	62.00	161.00	231.00	581.00
Deletions	-	-	-	-	-	3.96	3.96
At 31 March 2018	-	248.69	269.09	462.36	537.81	1,169.88	2,687.83
Net Block at 31 March 2017	2,066.15	1,295.92	39.65	283.35	511.26	409.56	4,605.89
Net Block at 31 March 2018	2,066.15	1,547.82	66.67	256.34	387.57	390.76	4,715.31

12 INTANGIBLE ASSETS		INR In Lakhs	
	Particulars	Software	Total
Gross Block			
At 1 April 2016		109.10	109.10
Additions		18.42	18.42
Deletions		-	-
At 31 March 2017		127.52	127.52
Additions		1.27	1.27
Deletions		0.03	0.03
At 31 March 2018		128.76	128.76
Accumulated Amortisation			
At 1 April 2016		55.69	55.69
Charge for the year		20.63	20.63
Deletions		-	-
At 31 March 2017		76.32	76.32
Charge for the year		19.00	19.00
Deletions		-	-
At 31 March 2018		95.32	95.32
Net Block at 31 March 2017		51.20	51.20
Net Block at 31 March 2018		33.44	33.44

	31 Mar 2018	INR In Lakhs 31 Mar 2017
13 NON CURRENT INVESTMENTS		
(valued at cost, unless stated otherwise)		
Trade investments, unquoted:		
Hinduja Housing Finance Limited, a subsidiary (120,000,000 (31 March 2017: 90,000,000) equity shares of Rs.10/- each, fully paid up)	12,000.00	9,000.00
HLF Services Limited, an associate (22,950 (31 March 2017 : 22,950) equity shares of Rs.10/- each, fully paid up)	2.30	2.30
Investments in pass-through securities (refer note 28)	7,925.59	4,390.11
Investment in security receipts (refer note 28)	17,000.00	-
Investments in funds (refer note 28)	10,000.00	10,000.00
Trade investments, quoted:		
Investments in debentures (redeemable; non-convertible) (refer note 28)	48,633.33	41,914.32
	95,561.22	65,306.73
Aggregate amount of quoted investments and market value (non-current):		
(i) Aggregate book value	48,633.33	41,914.32
(ii) Aggregate market value	48,633.33	41,914.32
Aggregate book value of unquoted investments (non-current)	46,927.89	23,392.41
14 DEFERRED TAX ASSET (net)	31 Mar 2018	31 Mar 2017
Deferred tax asset		
Contingency provision against standard assets	1,817.00	1,182.52
Provision against non-performing assets	5,221.89	4,748.31
Excess of depreciation / amortisation on fixed assets as per books over depreciation / amortisation under income tax law	45.20	-
Provision for employee benefits	84.47	84.95
	7,168.56	6,015.78
Deferred tax liability		
Excess of depreciation / amortisation on fixed assets under income tax law over depreciation / amortisation as per books	-	4.98
	-	4.98
Net deferred tax asset	7,168.56	6,010.80

INR In Lakhs

15 LONG-TERM LOANS AND ADVANCES

	Non-current portion		Current portion*	
	31 Mar 2018	31 Mar 2017	31 Mar 2018	31 Mar 2017
Loan to customers (Considered good unless otherwise stated)				
Secured, considered good	872,420.55	606,030.30	308,330.30	297,783.72
Secured, considered doubtful #	13,341.69	7,277.57	55,265.73	46,961.07
Unsecured, considered good	-	-	-	99.47
Unsecured, considered doubtful #	4,568.60	3,882.09	1,801.12	1,530.47
Others				
Unsecured, considered good				
Prepaid expenses	9,007.25	7,145.44	8,314.28	6,333.75
Security deposits	560.98	421.44	989.10	676.85
Accrued income on assigned contracts	-	-	433.40	694.06
Advance tax (net of provision for tax)	3,134.17	348.74	-	-
	903,033.24	625,105.58	375,133.93	354,079.39

* See note 19

also refer to note 31

16 OTHER NON CURRENT ASSETS

Bank deposits held as security (refer note 18)
(Cash collateral towards securitisation)

Interest accrued on deposits placed as cash collateral

	31 Mar 2018	31 Mar 2017
Bank deposits held as security (refer note 18) (Cash collateral towards securitisation)	14,492.50	2,703.42
Interest accrued on deposits placed as cash collateral	123.71	16.15
	14,616.21	2,719.57

	31 Mar 2018	INR In Lakhs 31 Mar 2017
17 CURRENT INVESTMENTS		
Current portion of long term investments		
Trade investments, unquoted:		
Investments in pass-through securities (refer note 28)	17,708.01	9,581.14
Trade investments, quoted:		
Investments in debentures (redeemable; non convertible) (refer note 28)	8,280.99	12,317.38
	25,989.00	21,898.52
Aggregate amount of quoted current investments and market value:		
(i) Aggregate book value	8,280.99	12,317.38
(ii) Aggregate market value	8,280.99	12,317.38
Aggregate book value of unquoted current investments	17,708.01	9,581.14
Aggregate amount of quoted investments and market value (current and non-current):		
(i) Aggregate book value	56,914.32	54,231.70
(ii) Aggregate market value	56,914.32	54,231.70
Aggregate book value of unquoted investments (current and non-current)	64,635.90	32,973.55
18 CASH AND BANK BALANCES		
Cash and cash equivalents		
Cash and cheques on hand	8,215.24	1,480.27
Balances with banks		
-In current accounts	4,363.72	1,113.70
-In deposit accounts (with original maturity of 3 Months or less)	-	-
Other bank balances	639.17	3,971.72
	13,218.13	6,565.69
Details of bank balances		
'Bank balances available on demand/deposits with original maturity of 3 months or less included under 'cash and bank balances	4,363.72	1,113.70
Bank deposits due to mature within 12 months from the reporting period included under 'other bank balances	639.17	3,971.72
'Bank deposits due to mature after 12 months from the reporting period included under 'other non current assets (refer note 16)	14,492.50	2,703.42

	31 Mar 2018	INR In Lakhs 31 Mar 2017
19 SHORT-TERM LOANS AND ADVANCES		
Current portion of long-term loans and advances (refer note 15)		
Loan to customers (Considered good unless otherwise stated)		
Secured, considered good	308,330.30	297,783.72
Secured, considered doubtful	55,265.73	46,961.07
Unsecured, considered good	-	99.47
Unsecured, considered doubtful	1,801.12	1,530.47
Prepaid expenses	8,314.28	6,333.75
Accrued income on assigned contracts	433.40	694.06
Security deposits	989.10	676.85
Other short-term loans and advances		
To parties other than related parties (Unsecured, considered good)		
Dealer trade advances	71,216.98	35,176.49
Inter-corporate deposits	5,000.00	5,000.00
Balance with government authorities	-	496.95
Advances to employees	129.74	111.18
Others	1,382.07	699.58
To related parties (Unsecured; Considered good)		
Dues from Hinduja Energy (India) Limited (Fellow subsidiary)	4,500.00	5,000.00
Dues from Gulf Ashley Motors Limited (Fellow subsidiary)	38.93	2,377.77
	457,401.65	402,941.36
20 OTHER CURRENT ASSETS		
To parties other than related parties		
<i>(Secured, considered good)</i>		
Reposessed assets (also refer note 24 and 31)	19,171.82	12,504.05
<i>(Unsecured, considered good)</i>		
Interest accrued on investments	744.95	781.01
Interest accrued on deposits placed as cash collateral	44.10	3.67
Others	1,939.73	2,365.07
To related parties (Unsecured ; Considered good)		
Dues from Hinduja Housing Finance Limited (Subsidiary Company)	26.32	88.78
Dues from HLF Services Limited (Associate Company)	6,580.23	5,552.75
	28,507.15	21,295.33

	31 Mar 2018	INR In Lakhs 31 Mar 2017
21 REVENUE FROM OPERATIONS		
Interest / finance income		
- on loan to customers	167,666.27	131,492.62
- on fixed deposits	604.93	571.64
- on investment in pass through securities	2,219.70	1,680.63
- on investment in debentures	6,316.84	3,127.91
	176,807.74	136,872.80
Other operating income		
Service charges	5,141.78	2,377.26
Documentation charges	138.63	718.00
Other charges	5,255.96	3,722.41
Bad debts recovered	-	599.91
Income from other services	8,592.19	4,340.89
	195,936.30	148,631.27
22 EMPLOYEE BENEFITS		
Salaries, wages and bonus	6,465.60	5,447.78
Share based payment expense (refer note 29)	84.21	137.67
Contribution to provident and other funds (refer note 30)	349.04	286.71
Staff welfare expenses	269.23	170.06
	7,168.08	6,042.22
23 FINANCE COST		
Interest on		
- Term loans	57,584.69	43,664.81
- Subordinated redeemable non-convertible debentures	9,124.28	7,536.29
- Redeemable non-convertible debentures	23,755.89	24,898.88
- Cash credit / working capital demand loans	3,373.49	3,950.18
Amortisation of discount on commercial papers	3,190.33	2,728.56
Other finance charges		
- Amortisation of processing fees	546.28	587.96
	97,574.96	83,366.69

	INR In Lakhs	
	31 Mar 2018	31 Mar 2017
24 PROVISIONS AND WRITE OFF		
Loss on repossessed contracts (also refer note 31)	27,246.47	10,593.76
Provision for non-performing assets and contingency provision against standard assets (also refer note 31)	4,354.64	9,761.50
Bad debts written off	11,495.01	302.11
	43,096.12	20,657.37
25 OTHER EXPENSES		
Service provider and sourcing expenses	11,310.49	5,866.46
Rent	1,065.63	709.72
Insurance	115.48	166.41
Electricity charges	211.02	161.76
Communication expenses	444.51	431.33
Documentation charges	611.43	313.87
Legal and professional charges *	2,054.06	1,529.64
Rates and taxes	58.62	110.00
Office maintenance	410.26	380.68
Bank charges	512.62	264.22
Printing and stationery	328.35	314.52
Travelling and conveyance	322.63	568.63
Meeting and conference expenses	82.04	103.66
Sitting fees to directors	77.82	79.07
Other expenses	1,154.09	997.38
	18,759.05	11,997.35
* includes payment to auditors		
As auditor:		
Statutory audit	23.00	20.00
Tax audit	1.25	1.00
Limited review of half yearly results	12.00	4.00
Consolidation	6.00	5.00
In other capacity:		
Certification	4.00	3.00
Other services	15.00	10.50
Reimbursement of expenses	4.02	4.14
	65.27	47.64

	INR In Lakhs	
	31 Mar 2018	31 Mar 2017
26 EXCEPTIONAL ITEMS		
Expenses incurred in relation to filings with SEBI	-	310.00
	-	310.00
The Company had incurred costs towards filing of its draft red herring prospectus with SEBI. The Company charged off such costs to the extent of INR 310, during the year ended March 31, 2017, in the statement of profit and loss account.		
27 EARNINGS PER SHARE		
Net profit for calculation of basic/ dilutive EPS	18,983.62	16,752.82
Equity shares (nominal value of INR 10/- each)		
Weighted average number of equity shares outstanding for calculation of basic EPS	432,095,285	387,786,769
Effect of dilutive potential equity shares		
Employee stock options	371,286	813,418
Weighted average number of equity shares outstanding for calculation of dilutive EPS	432,466,571	388,600,187
Earnings per Share (₹)		
- Basic	4.39	4.32
- Diluted	4.39	4.31

	Face value (In Lakhs)	As at 31 March 2018				As at 31 March 2017			INR In Lakhs	
		Units	Non-current	Current	Total	Units	Non-current	Current		Total
28 DETAILS OF INVESTMENTS										
A. Debentures										
Muthoot Microfin Limited	10	400	4,000.00	-	4,000.00	400	4,000.00	-	4,000.00	
Suryoday Micro Finance Limited	10	400	4,000.00	-	4,000.00	400	4,000.00	-	4,000.00	
Utkarsh Micro finance Limited	10	400	4,000.00	-	4,000.00	400	4,000.00	-	4,000.00	
RGVN (North East) Microfinance Limited	10	400	2,000.00	1,333.33	3,333.33	-	-	-	-	
Indian School Finance Private Limited	1	1,000	1,000.00	-	1,000.00	-	-	-	-	
Asrivud Microfinance Private Limited	10	380	3,800.00	-	3,800.00	380	3,800.00	-	3,800.00	
Belstar Investment and Finance Private Limited	10	400	1,666.67	1,000.00	2,666.67	400	2,666.67	1,333.33	4,000.00	
Annapurna Microfinance Private Limited	10	350	3,500.00	-	3,500.00	460	3,500.00	137.50	3,637.50	
Arohan Financial Services Private Limited	10	350	3,500.00	-	3,500.00	350	3,500.00	-	3,500.00	
Five-Star Business Finance Limited	10	300	3,000.00	-	3,000.00	300	3,000.00	-	3,000.00	
Sonata Finance Private Limited	10	300	3,000.00	-	3,000.00	300	3,000.00	-	3,000.00	
Samasta Microfinance Private Limited	10	200	1,000.00	833.33	1,833.33	200	166.67	958.33	1,125.00	
Madura Microfinance Limited	10	400	4,000.00	-	4,000.00	-	-	-	-	
Disha Microfin Limited	10	250	2,500.00	-	2,500.00	250	2,500.00	-	2,500.00	
Satin Creditcare Network Limited	10	450	3,833.33	666.67	4,500.00	250	2,500.00	-	2,500.00	
S.M.I.L.E. Microfinance Limited	10	250	500.00	791.67	1,291.67	250	1,291.67	1,000.00	2,291.67	
ASA International India Microfinance Ltd.	10	200	833.33	500.00	1,333.33	200	1,500.00	500.00	2,000.00	
Intrepid Finance And Leasing Private Limited	10	150	-	437.50	437.50	365	437.50	1,495.83	1,933.33	
Zen Lefin Private Limited	10	250	-	604.17	604.17	250	604.17	1,250.00	1,854.17	
Svasti Microfinance Private Limited	10	175	-	385.42	385.42	275	385.42	1,333.33	1,718.75	
Pudhuaru Financial Services Private Limited	10	300	-	458.34	458.34	300	458.33	1,250.00	1,708.33	
Pahal Financial Services Private Limited	10	100	-	301.81	301.81	300	301.81	1,225.73	1,527.54	
Lendingkart Finance Limited	10	125	-	302.08	302.08	125	302.08	625.00	927.08	
Saija Finance Private Limited	10	-	-	-	-	320	-	858.33	858.33	
Chaitanya India Fin Credit Private Limited	10	-	-	-	-	100	-	125.00	125.00	
M Power Microfinance Private Limited	10	-	-	-	-	100	-	125.00	125.00	
Fusion Microfinance Private Limited	10	200	1,000.00	666.67	1,666.67	80	-	100.00	100.00	
ESAF Small Finance Bank Limited	10	50	500.00	-	500.00	-	-	-	-	
Muthoot Housing Finance Company	10	100	1,000.00	-	1,000.00	-	-	-	-	
			48,633.33	8,280.99	56,914.32		41,914.32	12,317.38	54,231.70	

	As at 31 March 2018				As at 31 March 2017				
	Face value (in Lakhs)	Units	Non-current	Current	Total	Units	Non-current	Current	Total
B. Pass-through securities									
Vivriti Norsu 007 2017	301,570,015		-	1,116.61	1,116.61	-	-	-	-
Taurus CV Trust March 2017	180	180	1,006.40	-	1,006.40	180	1,064.19	736.18	1,800.37
Gemini CV Trust II	40	40	1,049.63	-	1,049.63	-	-	-	-
Gemini CV Trust	40	40	888.24	-	888.24	-	-	-	-
Ramnori IFMR Capital 2017	80,294,430		717.37	-	717.37	-	-	-	-
Ezra SBL IFMR Capital 2017	110,000,000		374.59	275.04	649.63	110,000,000	888.98	211.02	1,100.00
Moses IFMR Capital 2016	70,073,574		-	700.74	700.74	70,073,574	-	700.74	700.74
Solstice Trust Series I 2017	68,476,432		684.76	-	684.76	-	-	-	-
Aguamenti IFMR Capital 2017	70,000,000		-	302.76	302.76	-	-	-	-
Iamus SBL IFMR Capital 2016	229,445,426		-	407.06	407.06	229,445,426	772.91	595.07	1,367.98
Vivriti Aleta 001 2017	70,000	70,000	-	411.58	411.58	-	-	-	-
Jupiter SBL IFMR Capital 2017	92,276,559		-	362.79	362.79	50,000,000	255.12	244.88	500.00
Inguz SBL IFMR Capital 2016	115,000,000		17.57	382.89	400.46	115,000,000	634.62	359.78	994.40
Vivriti Jinn 011 2017	43,409,074		434.09	-	434.09	-	-	-	-
Inguz SBL IFMR Capital 2016 - A1	81,194,400		13.27	270.34	283.61	-	-	-	-
Vivriti Rey 010 2017	26,986,169		-	269.86	269.86	-	-	-	-
IFMR Capital Mosec Harv 2017	60,000,000		1.97	161.00	162.97	60,000,000	191.90	346.82	538.72
Astraea SBL IFMR Capital 2015	23,371,631		-	186.37	186.37	23,371,631	194.60	272.83	467.43
Vivriti Yoda 009 2017	20,691,688		-	206.92	206.92	-	-	-	-
Golani SBL IFMR Capital 2015	8,401,526		-	125.77	125.77	8,401,526	144.97	225.44	370.41
Vivriti Pavo 012 2017	17,500,000		-	175.00	175.00	-	-	-	-
Scofield SBL IFMR Capital 2017	90,430,058		-	33.95	33.95	90,430,058	58.34	667.51	725.85
Techne SBL IFMR Capital 2015	221,327		-	94.74	94.74	221,327	184.48	248.30	432.78
Cedar Inclusive Finance Trust 2	70,000,000		700.00	-	700.00	-	-	-	-
Cedar Inclusive Finance Trust 4	269,317,998		217.92	2,475.26	2,693.18	-	-	-	-
Desdemona Northern Arc 2018	74,786,760		41.01	706.85	747.86	-	-	-	-
Desdemona Northern Arc 2018	45,213,240		30.94	420.87	451.81	-	-	-	-
Mimir IFMR Capital	185,000,000		-	1,372.30	1,372.30	-	-	-	-
Northern Arc 2018 MFI Bamani	206,978,365		-	2,069.78	2,069.78	-	-	-	-
Nymeria SBL Northern Arc 2018	176,599,273		1,185.99	470.82	1,656.81	-	-	-	-

	As at 31 March 2018			As at 31 March 2017					
	Face value (In Lakhs)	Units	Non-current	Current	Total	Units	Non-current	Current	Total
B. Pass-through securities									
Trariti IFMR Capital		250,000,000	-	1,725.52	1,725.52	-	-	-	-
Vivirti pereira		85,000,000	48.91	727.53	776.44	-	-	-	-
Vivirti Krishi 003 2018		76,856,641	199.51	569.06	768.57	-	-	-	-
Vivirti Morris 003 2018		200,001,701	313.42	1,686.60	2,000.02	-	-	-	-
Quail CV IFMR Capital 2016		-	-	-	-	4,491,369	-	538.96	538.96
Icharus IFMR Capital 2016		-	-	-	-	166,561,747	-	1,726.04	1,726.04
Fioritura IFMR Capital 2016		-	-	-	-	8,592,487	-	601.47	601.47
IFMR Capital Mosec Arcturus 2016		-	-	-	-	21,707,503	-	434.15	434.15
Mithras IFMR Capital 2015		-	-	-	-	28,893,349	-	288.93	288.93
Summanus IFMR Capital 2016		-	-	-	-	26,103,031	-	261.03	261.03
Corus IFMR Capital 2016		-	-	-	-	467,959	-	248.02	248.02
Vediovis IFMR Capital 2016		-	-	-	-	115,732,273	-	233.73	233.73
IFMR Capital Mosec Nile 2016		-	-	-	-	1,981,699	-	214.27	214.27
IFMR Capital Mosec Spes 2015		-	-	-	-	13,647	-	201.40	201.40
Kira IFMR Capital 2016		-	-	-	-	1,300,000	-	175.98	175.98
Anahita IFMR Capital 2014		-	-	-	-	113,455,224	-	19.23	19.23
Nepthys SBL IFMR Capital 2014		-	-	-	-	30,800,000	-	16.88	16.88
Hatten IFMR Capital 2016		-	-	-	-	101,508,037	-	12.48	12.48
			7,925.59	17,708.01	25,633.60		4,390.11	9,581.14	13,971.25
C. Investments in Security receipts									
Phoenix Trust -FY18-12 (Face value: INR 1,000/-)		1,700,000	17,000.00	-	17,000.00	-	-	-	-
			17,000.00	-	17,000.00		-	-	-

Face value (in Lakhs)	As at 31 March 2018			As at 31 March 2017				
	Units	Non-current	Current	Total	Units	Non-current	Current	Total
D. Investments in Funds								
IFMR FImpact Medium Term Microfinance Fund	1,930	2,000.00	-	2,000.00	1,930	2,000.00	-	2,000.00
IFMR FImpact Long Term Credit Fund	3,986	4,000.00	-	4,000.00	3,986	4,000.00	-	4,000.00
IFMR FImpact Medium Term Opportunities Fund	4,000	4,000.00	-	4,000.00	4,000	4,000.00	-	4,000.00
Total (A+B+C+D)		10,000.00	-	10,000.00		10,000.00	-	10,000.00
		83,558.92	25,989.00	109,547.92		56,304.43	21,898.52	78,202.95

Note 1: To the extent that the debentures are redeemable within 12 months of the reporting date, the amount has been presented as part of current investments. The balance has been presented as non-current investments. The tenure of these debentures ranges from 24 to 48 months. The interest rate on the investment in debentures ranges from 10.56% to 13.25% p.a.

Note 2: The investments in pass through certificates redeemable over the next 12 months from the balance sheet date have been classified as current investments. The balance amount has been presented as non-current investments.

Note 3: The investments in funds of INR 10,000 are redeemable on maturity and the interest rate ranges from 12.44% to 12.50%. The tenure of the investment ranges from is 3 to 10 years.

29 EMPLOYEE STOCK OPTION

INR in Lakhs

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 ratable 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
Grant date	26-Mar-14	10-Nov-16	23-May-17	29-Jan-18
At the end of one year of service from grant date	20%	20%	20%	20%
At the end of two years	20%	20%	20%	20%
At the end of three years	30%	30%	30%	30%
At the end of four years	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 31 Mar 2018	For the year ended 31 Mar 2017
Share based payment expense:		
Total expense recognised in ‘employee benefits’ (refer note 22)	84.21	137.67

Reconciliation of outstanding options

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

Particulars	Year ended 31 March 2018		Year ended 31 March 2017	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Outstanding at beginning of the year	1,761,000	45.88	2,304,000	15.53
Granted during the year	460,000	106.20	1,190,000	54.4
Forfeited during the year	335,000	49.00	-	-
Exercised during the year	367,500	35.94	1,733,000	11.38
Expired during the year	-	-	-	-
Outstanding at the end of the year	1,518,500	65.87	1,761,000	45.88

INR in Lakhs

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

Particulars	Year ended 31 March 2018			Year ended 31 March 2017		
	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	1,518,500	INR/- 27.95 to 110	1 – 4 years	1,761,000	INR/- 27.95 to 54.40	1 – 4 years

The Company measures the compensation cost relating to the stock option using the intrinsic value method. The compensation cost is amortised over the vesting period of the stock option. The Company has accounted for the Employee stock options granted as per 'The Guidance Note on Employee Share Based Payments', issued by The Institute of Chartered Accountants of India. Accordingly, the Company has amortised an amount of INR 84.20 towards stock compensation expense for the year ended 31 March 2018 (INR 137.67 for the year ended 31 March 2017).

Had the compensation cost for the options been recognised based on the fair value at the date of grant in accordance with Black Scholes' model, the proforma amounts of the Company's net profit and earnings per share would have been as follows:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Net profit as reported	18,983.62	16,752.82
Add: Employee compensation expense as per intrinsic value method	84.21	137.67
Less: Employee compensation expense as per fair value	(95.25)	(159.81)
Adjusted proforma net profit after tax	18,972.58	16,731.31
Basic EPS as reported	4.39	4.32
Basic EPS as proforma	4.39	4.32
Diluted EPS as reported	4.39	4.31
Diluted EPS as proforma	4.39	4.31

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

Grant date	26-Mar-14	10-Nov-16	23-May-17	29-Jan-18
Value of the share at the grant date	27.95	79	95	110
Exercise price	INR/- 10 to 37.95	INR/- 54.40	INR/- 75	INR/- 110
Expected volatility	0.00%	0.00%	0.00%	0.00%
Expected dividends	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate (based on government bonds)	8.00%	6.88%	7.08%	7.08%
Expected life	4 years	4 years	4 years	4 years

INR in Lakhs

30 EMPLOYEE BENEFIT – POST EMPLOYMENT BENEFIT PLAN

Gratuity benefit plan

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and amounts recognised in the balance sheet.

Particulars	31 March 2018	31 March 2017
Present value of obligations	235.65	163.59
Fair value of plan assets	206.41	115.23
Asset/ (Liability) recognised in the Balance Sheet	(29.24)	(48.36)
Classification into current and non-current:		
Current (refer note 7)	(29.24)	(48.36)
Non-current	-	-

Movement in present values of defined benefit obligations

Particulars	31 March 2018	31 March 2017
Defined benefit obligation at the beginning of the year	163.59	139.27
Current service cost	64.90	57.97
Interest cost	11.14	11.31
Actuarial (gains) / losses	(0.65)	(44.96)
Benefits paid by the plan	(3.33)	-
Defined benefit obligation at the end of the year	235.65	163.59

Movement in fair value of plan assets

Particulars	31 March 2018	31 March 2017
Fair value of plan assets at the beginning of the year	115.23	107.81
Contributions paid into the plan	48.35	-
Benefits paid by the plan	(3.33)	-
Expected return on plan assets	9.75	7.42
Actuarial (losses) / gains	36.41	-
Fair value of plan assets at the end of the year	206.41	115.23

Expense recognised in the statement of profit or loss

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Current service cost	64.90	57.97
Interest on obligation	11.14	11.31
Expected return on plan assets	(9.75)	(7.42)
Net actuarial (gain)/ loss recognised in the year	(37.05)	(44.96)
Total	29.24	16.90

INR in Lakhs

Actuarial assumptions

Particulars	31 March 2018	31 March 2017
Discount rate	7.08%	6.88%
Estimated rate of return on plan assets	7.08%	6.88%
Attrition rate	25.00%	16.00%
Future salary increases	10.00%	12.00%
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

Gratuity	31-Mar-18	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14
Defined benefit obligation	235.65	163.59	139.27	107.12	56.76
Fair value of plan assets	206.41	115.23	107.81	60.75	43.39
Deficit in plan	29.24	48.36	31.46	46.37	13.37
Experience adjustments on plan liabilities	(37.05)	(44.96)	(23.40)	(2.23)	(2.83)
Experience adjustments on plan assets	-	-	(2.25)	(1.09)	(0.40)

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to INR 349.04 (previous year INR 286.71) (refer note 22)

31 DISCLOSURE RELATING TO CERTAIN PROVISIONS / LOSS ON REPOSSESSED ASSETS

For the year ended 31 March 2018

Particulars	As at 1 April 2017	Provision during the year	Utilization/ Reversal	As at 31 March 2018
Provision for standard assets	3,416.91	1,948.04	118.04	5,246.91
Provision for non-performing assets (refer note b (i) below)	16,020.50	12,483.22	9,958.58	18,545.14

For the year ended 31 March 2017

Particulars	As at 1 April 2016	Provision during the year	Utilization/ Reversal	As at 31 March 2017
Provision for standard assets	2,219.56	1,320.75	123.40	3,416.91
Provision for non-performing assets (refer note b (i) below)	7,456.35	10,331.11	1,766.96	16,020.50

INR in Lakhs

a. Provision for standard assets

The Company recognizes contingency provision on standard assets at 0.40% as prescribed under the Framework.

b. Provisions / write off:

- (i) For the year ended 31 March 2018, the provisions / write off includes adjustments amounting to INR 2,388 and INR 1,800 pertaining to previous years relating to provision towards non-performing assets and repossessed assets, respectively.
- (ii) Gross NPA and net NPA as at 31 March 2017 excludes a sum of INR 17,267 and INR 14,879 respectively, arising out of the adjustments referred to in note b(i) above. Further, ratios as at March 31, 2017 also exclude the impact of such adjustments.

32 SEGMENT REPORTING

The Company is engaged in the business of financing assets and related activities. Further, the Company does not have any separate geographic segments other than India. There are no separate reportable segments as per AS 17 (Segment Reporting).

33 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31 Mar 2018	As at 31 Mar 2017
Claims against the Company not acknowledged as debts: Value added taxes [bank guarantee provided against the claim INR 69.59 (Previous Year : INR 69.59)]	58.51	58.51
Bank guarantee against securitisation transactions	4,552.00	3,124.00

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.

34 RELATED PARTY DISCLOSURES

Name of the related parties and nature of relationship

Holding company / Ultimate Holding Company	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Hinduja Energy (India) Limited • Gulf Ashley Motors Limited
Key management personnel (KMP)	<ul style="list-style-type: none"> • Mr. S. Nagarajan, Executive Vice Chairman • Mr. Sachin Pillai, Chief Executive Officer

INR in Lakhs

Related party transactions

Nature of transaction	Holding company (ALL)	Associate	Subsidiary	Fellow subsidiary	KMP
Salaries and allowances (see note below)	-	-	-	-	471.19 (556.00)
Investment in equity shares	-	-	3,000.00 (7,500.00)	-	-
Security deposit received	-	-	- (162.00)	-	-
Inter-corporate deposits /advances given	-	-	- (667.00)	19,000.00* (25,000.00)	-
Repayments towards inter-corporate deposit /advances	-	-	- (667.00)	19,500.00* (20,000.00)	-
Advance given (Gulf Ashley Motors Limited)	-	-	-	8,094.94 (9,517.25)	-
Repayments towards trade advance (Gulf Ashley Motors Limited)	-	-	-	10,433.78 (7,139.48)	-
Reimbursement of expenses incurred on behalf of the related party	-	-	333.37 (161.20)	-	-
Interest on loan to customers	- (19.38)	-	-	531.85 (583.56)	-
Purchase of services including tax:					
a. Service provider fee	-	6,995.90 (5,441.68)	-	-	-
b. Sourcing / marketing expenses	-	1,136.00 (454.07)	-	-	-
Income from other services	-	5,854.37 (3,187.48)	-	-	-
Number of equity shares allotted on exercise of options	-	-	-	-	60,000 (1,640,000)

* Transactions with Hinduja Energy (India) Limited.

Year end balances

Particulars	Holding company (ALL)	Associate (HSL)	Subsidiary (HHF)	Fellow subsidiary	KMP
Amounts due from related parties as at end of the year	-	6,580.23 (5,552.75)	26.32 (88.78)	4,538.93 (7,377.77)#	-
Amounts due to related parties as at end of the year (security deposits)	-	-	162.00 (162.00)	-	-

year-end balance of dealer trade advance receivable from Gulf Ashley Motors Limited INR 38.93 (Previous year INR 2,377.77) and outstanding Inter corporate deposits INR 4,500 (Previous year INR 5,000) from Hinduja Energy (India) Limited.

Figures in bracket represent previous year figures.

Note: Salaries and allowances include stock compensation expense of Nil (31 March 2017: INR 90). As the future liabilities of gratuity and compensated absence are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the key managerial person is not ascertainable separately and therefore not included above.

INR in Lakhs

35 OPERATING LEASES AS A LESSEE

The Company has taken a number of branch offices under operating leases. These leases typically run for a period of 3 years with an option to renew after this period. Lease payments are generally increased every year. These leases are cancellable. The rental expense under cancellable lease arrangements is INR 1,065.63 (31 March 2017: INR 709.72).

36 CORPORATE SOCIAL RESPONSIBILITY (“CSR”) EXPENDITURE

During the year, the Company has incurred an amount of INR 50 towards corporate social responsibility expenditure. Such expenditure has been classified under the following head under other expenses (refer note 25).

	31 March 2018	31 March 2017
Other expenses – For purposes other than construction / acquisition of any asset	50.00	110.00

37 DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

The disclosures regarding details of specified bank notes held and transacted during the current year has not been made since the requirement does not pertain to financial year ended 31 March 2018. However, corresponding details of SBN for the period from 8 November 2016 to 30 December 2016 as appearing in the audited financial statements for the year ended 31 March 2017 have been disclosed below.

During the previous year ended 31 March 2017, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016. The denomination wise SBNs and other notes as per the notification are given below

Details of Specified Bank Notes (SBN) held and transacted during the period 08 November 2016 to 30 December 2016

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on November 8, 2016[#]	1,378.10	45.33	1,423.43
Add : Permitted receipts **	1,320.59	11,275.17	12,595.76
Less : Permitted payments	-	-	-
Less : Amount deposited in banks	2,698.69	10,158.92	12,857.61
Closing cash in hand as on December 30, 2016[#]	-	1,161.58	1,161.58

[#] Based on the daily cash register and petty cash summary statement maintained across the branches.

* For the purposes of this clause, the term ‘Specified Bank Notes’ shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

** Includes direct cash deposits made by the customers in Company's bank accounts vide RBI Circular No. DCM (Plg) No. 1226/10.27.00/2016-17 dated 08 November 2016 under Section 3(c)(v). Also includes withdrawal from bank.

INR in Lakhs

38 UTILISATION OF THE PROCEEDS OF RIGHTS ISSUE

During the current year, the company raised a sum of INR 45,105.38 through a rights issue of equity shares to fund the business of lending loans to customers. The proceeds have been utilised as follows:

Particulars	31 March 2018	31 March 2017
Proceeds from rights issue	45,105.38	25,046.40
Utilisation during the year – Loan to customers	(45,105.38)	(25,046.40)
Un-utilised amount at the end of the year	-	-

39 EXPENDITURE IN FOREIGN CURRENCY

Particulars	31 March 2018	31 March 2017
Legal and professional charges	10.81	66.92

40 DISCLOSURE REQUIRED AS PER ANNEXURE XII OF THE MASTER DIRECTION DNBR PD 008/03.110.119/2016-17 DATED SEPTEMBER 1, 2016 ISSUED BY RBI

a. Capital

Particulars	31 March 2018	31 March 2017
CRAR %	17.15	15.84
CRAR - Tier I Capital %	12.35	11.16
CRAR - Tier II Capital %	4.80	4.68
Amount of subordinated debt raised as Tier II Capital (INR in lakhs)	71,500	50,200
Amount raised by issue of perpetual debt instruments (INR in lakhs)	Nil	Nil

* also refer note 31

b. Derivatives

There have been no forward rate contracts / interest rate swaps or any other derivative transactions carried out by the Company during the year ended 31 March 2018 and 31 March 2017.

INR in Lakhs

c. Investments

	Particulars	31 March 2018	31 March 2017
1	Value of investment		
	(i) Gross value of investment		
	(a) In India	121,550.22	87,205.25
	(b) Outside India	Nil	Nil
	(ii) Provision for depreciation		
	(a) In India	Nil	Nil
	(b) Outside India	Nil	Nil
	(iii) Net Value of Investment		
	(a) In India	121,550.22	87,205.25
	(b) Outside India	Nil	Nil
2	Movement of provisions held towards depreciation on investments	NA	NA

d. Disclosures relating to securitisation

1. Outstanding amount of securitised assets as per the books of the SPVs

Sl. No	Particulars	31 March 2018 No./Amount	31 March 2017 No./Amount
1	No of SPVs sponsored for securitisation transactions	5	2
2	Total amount of securitised assets as per the books of the SPVs sponsored	86,231.73	44,884.49
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 exposures	-	-
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	- First loss	10,501.64	4,096.56
	- Others	3,661.64	1,800.37
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	-	-
	- Others	4,552.00	3,124.00
	ii) Exposure to third party securitization		
	- First loss	-	-
	- Others	-	-

INR in Lakhs

Sl. No	Particulars	31 March 2018 No./Amount	31 March 2017 No./Amount
	b) On-balance sheet exposures		
	i) Exposure to own securitisation		
	- First loss	-	-
	- Others	3,916.26	1,879.00
	ii) Exposure to third party securitisation		
	- First loss	-	-
	- Others	21,971.96	12,170.88

2. Details of assignment transactions undertaken

Particulars	31 March 2018	31 March 2017
Number of accounts	22,721	20,643
Aggregate value (net of provisions) of accounts sold	204,157.33	178,294.00
Aggregate consideration	204,157.33	178,294.00
Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
Aggregate gain/ loss over net book value	Nil	Nil

3. 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 31 March 2018 and 31 March 2017.

ii) Details of non-performing financial assets sold

Particulars	31 March 2018	31 March 2017
Number of accounts sold	40,030	Nil
Aggregate outstanding, net of provisions	20,000.00	Nil
Aggregate consideration received	20,000.00	Nil

4. Details of net book value of investments in security receipts

Particulars	31 March 2018	31 March 2017
Backed by non-performing assets sold by the Company as underlying	17,000.00	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	17,000.00	Nil

INR in Lakhs

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

As at 31 March 2018

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 *	29,438.92	32,380.70	115,857.61	80,374.29	173,355.09	528,611.23	209,582.56	148,338.36	1,317,938.76
Investment	2,335.00	2,335.00	2,335.00	4,974.00	14,010.00	81,527.92	2,031.00	12,002.30	121,550.22
Borrowings	8,296.00	7,722.00	146,900.42	60,924.00	197,695.45	605,770.00	191,747.31	38,297.00	1,257,352.18
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

As at 31 March 2017

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 *	43,541.68	43,541.68	43,541.68	94,545.09	155,735.52	419,440.05	114,320.62	80,432.14	995,098.45
Investment	2,231.63	2,198.55	2,556.71	6,278.51	8,633.11	43,684.17	8,620.26	13,002.31	87,205.25
Borrowings	35,403.44	14,863.53	19,711.34	85,265.23	176,623.01	410,859.64	182,094.15	18,000.00	942,820.35
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

* Net of provision for non-performing assets of Rs. 18,545.14 (Previous year: 16,020.50). Also refer note 31

INR in Lakhs

f. Exposures

1. Exposure to real estate sector

	Category	31 March 2018	31 March 2017
A.	Direct exposure (Net of advance from customers)		
	(i) Residential mortgages	136,441.84	116,712.92
	(ii) Commercial real estate	90,109.30	32,601.16
	(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)	17,180.27	14,584.79

2. Exposure to capital market

Particulars	31 March 2018	31 March 2017
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	12,002.30	9,002.30

g. Details of financing of parent company products

Particulars	31 March 2018	31 March 2017
Loan outstanding as at year end out of the amount financed to parent company products (i)	409,009.20	334,613.10
Company portfolio (ii)	1,255,727.99	963,564.69
Percentage of financing for parent product upon Company's portfolio ((i) / (ii))	32.57%	34.73%

Note: 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 / securitization 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 31 March 2018 and 31 March 2017.

i. Unsecured advances

Particulars	31 March 2018		31 March 2017	
	Non-current	Current	Non-current	Current
Unsecured advances	-	93,732.18	-	58,707.82

j. **Registration/ licence/ authorization obtained from other financial sector regulators** INR in Lakhs

Registration/ License	Authority issuing the registration/ license	Registration/ License reference
Certificate of registration	Reserve Bank Of India	N-07-00782 dated 22 March 2010
NBFC-AFC – Regularization	Reserve Bank Of India	DNBS.Che/2165/ 13.27.068/2013-14 dated 22 April 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 31 March 2018 other than a penalty of INR 5 Lakhs, imposed on the Company by RBI (RBI Press release: 2016-2017/2741 dated 11 April 2017) during the year ended 31 March 2018. For the year ended 31 March 2017 there has been no penalty imposed by RBI and any other regulator.

l. **Ratings assigned by credit rating agency and migration of ratings during the year**

Facility	Rating agency	31 March 2018	Date of rating
Long term banking facilities	CARE	AA-	5-Jul-17
Non-convertible debentures	CARE	AA-	5-Jul-17
Subordinated debentures	CARE	AA-	5-Jul-17
Commercial paper	CARE	A1+	5-Jul-17
Commercial paper	ICRA	A1+	11-Jan-18
Commercial paper	CRISIL	A1+	23-Jan-18
Subordinated debentures	India Rating	A+	1-Aug-17
Non-convertible debentures	CRISIL	AA-	23-Jan-18

m. **Provisions and contingencies**

Break up of provisions and contingencies shown in the statement of profit and loss (also refer note 24)	For the year ended 31 March 2018	For the year ended 31 March 2017
Provision for depreciation on investment	-	-
Provision for non-performing assets	2,524.64	8,564.15
Provision made towards income tax	9,754.47	8,923.17
Provision for standard assets	1,830.00	1,197.35
Other provisions and contingencies	-	-

INR in Lakhs

n. Concentration of advances*, exposure# and NPAs

	Particulars	31 March 2018	31 March 2017
1	Concentration of advances		
	Total advances to twenty largest borrowers	63,611.95	31,152.49
	Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	5.07%	3.23%
2	Concentration of exposures		
	Total Exposure to twenty largest borrowers / customers	87,983.11	45,485.74
	Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	7.01%	3.30%
3	Concentration of NPAs		
	Total exposure to top four NPA accounts	1,388.34	870.31

* Advances represents the outstanding balances as at the respective year end

Exposure represents the total amount financed as at the respective year end

o. Sector wise NPA

Particulars	%of NPAs to total advances in that sector
Agriculture & allied activities	6.88%
MSME	2.63%
Corporate borrowers **	Nil
Services	Nil
Unsecured personal loans	Nil
Auto loans	5.39%
Other personal loans	Nil

** corporate borrowers is included in the respective sector

p. Movement of NPAs (also refer note 31)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(i) Net NPAs to Net Advances (%)	2.96%	3.10%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	59,651.20	34,811.04
(b) Additions during the year	70,474.91	37,506.87
(c) Reductions during the year [also refer note 40(d)(3)]	55,148.97	12,666.71
(d) Closing balance	74,977.14	59,651.20

INR in Lakhs

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(iii) Movement of Net NPAs		
(e) Opening balance	43,630.70	27,354.69
(f) Additions during the year	57,991.69	27,175.76
(g) Reductions during the year	45,190.39	10,899.75
(h) Closing balance	56,432.00	43,630.70
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	16,020.50	7,456.35
(b) Provisions made during the year	12,483.22	10,331.11
(c) Write-off / write-back of excess provisions	9,958.58	1,766.96
(d) Closing balance	18,545.14	16,020.50

Note: For the purpose of the Net NPA to Net Advances %, advances include loan to customers, repossessed assets, assigned contract balances, bank deposits, investment in debentures, investment in pass through securities, investment in funds, receivable from HLF Services Limited, other receivables, loan against property, inventory funding and dealer trade advances/ balances.

q. 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 31 March 2018 and 31 March 2017 and hence this disclosure is not applicable.

r. Off-balance sheet SPVs sponsored

There were no off-balance sheet SPVs sponsored by the Company during the year ended 31 March 2018 and 31 March 2017.

s. Customer complaints*

Particulars	31 March 2018	31 March 2017
No. of complaints pending at the beginning of the year	88	82
No. of complaints received during the year	4,544	2,485
No. of complaints redressed during the year	4,504	2,479
No. of complaints pending at the end of the year	128	88

* As per the records of the Company

INR in Lakhs

41 DISCLOSURE OF FRAUDS AS PER THE MASTER DIRECTION DNBS. PPD.01/66.15.001/2016-17, DATED 29 SEPTEMBER 2016

	Less than ₹ 1 Lakh		₹ 1 Lakh to ₹ 25 Lakhs		Above ₹ 25 Lakhs		Total	
	No's	Value	No's	Value	No's	Value	No's	Value
A) Person Involved								
Staff	-	-	3.00	31.65	-	-	3.00	31.65
Staff and Outsiders	-	-	-	-	-	-	-	-
Total	-	-	3.00	31.65	-	-	3.00	31.65
B) Type of Fraud								
Misappropriation and Criminal breach of trust	-	-	3.00	31.65	-	-	3.00	31.65
Cheating and Forgery	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Total	-	-	3.00	31.65	-	-	3.00	31.65

Note: Based on the filings made by the Company with the Reserve Bank of India.

42 DISCLOSURE REQUIRED AS PER ANNEXURE I OF THE MASTER DIRECTION DNBR PD 008/03.110.119/2016-17 ISSUED BY RBI

Particulars	Amount Outstanding		Amount overdue	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
1. Liabilities: Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid				
(a) Debentures				
- Secured	249,472.84	284,529.40	Nil	Nil
- Unsecured	109,446.34	73,366.85	Nil	Nil
(b) Deferred Credits	Nil	Nil	Nil	Nil
(c) Term Loans	794,124.35	569,708.66	Nil	Nil
(d) Inter-Corporate Loans and Borrowings		Nil	Nil	Nil
(e) Commercial Paper	73,790.86	Nil	Nil	Nil
(f) Other loans (Represents cash credits and working capital demand loans from banks)	49,736.74	36,376.32	Nil	Nil

INR in Lakhs

	Assets Side	Amount outstanding	
		31 March 2018	31 March 2017
2.	Break-up of Loans and Advances including bills receivables		
(a)	Secured (Including Repossessed Assets)	1,268,530.09	970,556.71
(b)	Unsecured	93,732.18	58,707.82

	Particulars	Amount outstanding	
		31 March 2018	31 March 2017
3.	Break up of Leased Assets and Stock on Hire and other Assets counting towards AFC activities		
(i)	Lease Assets including Lease rentals under sundry debtors:		
	(a) Financial Lease	Nil	Nil
	(b) Operating Lease	Nil	Nil
(ii)	Stock on hire		
	(a) Assets on hire	Nil	Nil
	(b) Repossessed Assets	Nil	Nil
(iii)	Other Loans counting towards AFC activities		
	(a) Loans where Assets have been repossessed	19,171.82	12,504.05
	(b) Loans other than (a) above	1,255,727.99	964,264.26

	Particulars	Amount outstanding	
		31 March 2018	31 March 2017
4.	Breakup of investments		
	Current Investments		
I	Quoted:		
	(i) Shares : (a) Equity	Nil	Nil
	(b) Preference	Nil	Nil
	(ii) Debentures and Bonds	8,280.99	12,317.39
	(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	Nil	Nil
	(iii) Units of Mutual Fund	Nil	Nil
	(iv) Government Securities	Nil	Nil
	(v) Others (Pass through securities)	17,708.01	9,581.14

INR in Lakhs

Long term investments			
I	Quoted:		
	(i) Shares : (a) Equity	Nil	Nil
	(b) Preference	Nil	Nil
	(ii) Debentures and Bonds	48,633.33	41,914.32
	(iii) Units of Mutual Fund	Nil	Nil
	(iv) Government Securities	Nil	Nil
	(v) Others (Please Specify)	Nil	Nil
II	Unquoted:		
	(i) Shares : (a) Equity	12,002.30	9,002.30
	(b) Preference	Nil	Nil
	(ii) Debentures and Bonds	Nil	Nil
	(iii) Units of Mutual Fund	10,000.00	10,000.00
	(iv) Government Securities	Nil	Nil
	(iv) Others (Pass through securities and security receipts)	24,925.59	4,390.11

5. Borrower group-wise classification of assets financed as in (2) and (3) above

	Category	Amount net of provisions					
		31 March 2018			31 March 2017		
		Secured	Unsecured	Total	Secured	Unsecured	Total
1	Related parties						
	(i) Subsidiaries	-	-	-	-	-	-
	(ii) Companies in the same group	-	11,145.48	11,145.48	-	13,019.30	13,019.30
	(iii) Other related parties	-	-	-	-	-	-
2	Other than related parties	1,251,107.76	76,216.98	1,327,324.74	956,531.86	40,275.96	996,807.82
	Total	1,251,107.76	87,362.46	1,338,470.22	956,531.86	53,295.26	1,009,827.12

6. Investor group-wise classification of all Investments (Current and Long-term) in Shares and Securities (both quoted and unquoted)

	Particulars	31 March 2018		31 March 2017	
		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	12,000.00	12,000.00	9,000.00	9,000.00
	(b) Companies in the same group	2.30	2.30	2.30	2.30
	(c) Other Related Parties	-	-	-	-
2	Other than Related Parties	109,547.92	109,547.92	78,202.95	78,202.95
	Total	121,550.22	121,550.22	87,205.25	87,205.25

7. Other information (also refer 31)

	Particulars	31 March 2018	31 March 2017
(i)	Gross Non-Performing Assets		
	a) Related Parties	Nil	Nil
	b) Others	74,977.14	59,651.20
(ii)	Net Non-Performing Assets		
	a) Related Parties	Nil	Nil
	b) Others	56,432.00	43,630.70
(iii)	Assets Acquired in satisfaction of Debt	Nil	Nil

Note: Gross non-performing assets and Net non-performing assets represents loan to customers.

43 Transfer pricing

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

44 Previous year balances

Previous year balances have been regrouped wherever necessary to conform to current year's presentation.

As per our report of even date
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's registration number: 101248W/ W-100022

Ashish Gupta
Partner
Membership No: 215165

Place : Chennai
Date : 16th May, 2018

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

Dheeraj G Hinduja
Chairman
DIN No : 00133410

Kishore Kumar Lodha
Chief Financial Officer

Place : Chennai
Date : 16th May, 2018

S Nagarajan
Executive Vice Chairman
DIN No : 00009236

B Shanmugasundaram
Company Secretary

Report on the Audit of the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Hinduja Leyland Finance Limited (hereinafter referred to as “the Holding Company”) and its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”) and its associates, which comprise the consolidated balance sheet as at March 31, 2018, the consolidated statement of profit and loss and the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein referred to as “consolidated financial statements”).

Management’s responsibility for the consolidated financial statements

The Holding Company’s Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including Companies (Accounting Standard) Rules, 2006 prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 statements 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 by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate 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 Group or to cease operations, or has no realistic alternative but to do so.

Auditors’ Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company’s preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the

circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements.

We are also responsible to 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 Group and of its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's 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 auditor's report. However, future events or conditions may cause Group and its associate to cease to continue as a going concern.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors 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 consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiary and associate, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2018, and their consolidated profit and consolidated cash flows for the year ended on that date.

Other Matters

The consolidated financial statements include the Group's share of net profit of Rs. 41.58 lakhs for the year ended March 31, 2018, as considered in the consolidated financial statements, in respect of the associate, whose financial statements / financial information have not been audited by us. These financial statements / financial information 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-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the associate, is based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, 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 reports 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 report of the other auditors on separate financial statements and the other financial information of the associate, as noted in the 'other matter' paragraph, 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 purpose 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 and the reports of the other auditors.;

- (c) the consolidated balance sheet, the consolidated statement of profit and loss and the consolidated cash flow statement 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Accounting Standard) Rules, 2006;
- (e) on the basis of written representations received from the directors of the Holding Company and subsidiary company as on March 31, 2018, taken on record by the Board of Directors of the Holding Company and subsidiary company, and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the Group and its associate company, is disqualified as on March 31, 2018 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 with reference to financial statements of the Holding Company, its subsidiary company and associate company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" ;
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the associate, as noted in the 'Other matter' paragraph:
- (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate – Refer note 33 to the consolidated financial statements;
- (ii) The Group has made provision in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts, including derivative contracts – Refer note 24 to the consolidated financial statements in respect of such items as it relates to the Group and its associate;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company and associate company incorporated in India during the year ended March 31, 2018; and
- (iv) The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made since they do not pertain to the financial year ended March 31, 2018. However amounts as appearing in the audited consolidated financial statements for the year ended March 31, 2017 have been disclosed.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

Ashish Gupta
Partner
Membership No. 215165

Place : Chennai
Date : 16th May, 2018



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

to the member of Hinduja Leyland Finance Limited for the year ended 31st March 2018
(referred to in our report of even date)

HINDUJA LEYLAND FINANCE

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

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Hinduja Leyland Finance Limited ("the Holding Company") and its subsidiary company and associate, which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Group and its associates based on our audit. We conducted our

audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group and its associate internal financial controls system over financial reporting.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

to the member of Hinduja Leyland Finance Limited for the year ended 31st March 2018
(referred to in our report of even date)

HINDUJA LEYLAND FINANCE

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 with reference to financial statements 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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, the Holding Company, its subsidiary company and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control with reference to financial statements 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one associate company, which is incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No: 101248W/W-100022

Ashish Gupta

Partner

Membership No. 215165

Place : Chennai

Date : 16th May, 2018

CONSOLIDATED BALANCE SHEET
As at 31st March 2018



	Note	31 Mar 2018	INR In Lakhs 31 Mar 2017
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	45,643.80	41,215.59
Reserves and surplus	4	169,635.39	108,085.39
		215,279.19	149,300.98
Non-Current Liabilities			
Long-term borrowings	5	879,244.11	630,919.86
Other long-term liabilities	6	10,316.75	4,633.71
Long-term provisions	7	7,965.83	5,621.02
		897,526.69	641,174.59
Current Liabilities			
Short-term borrowings	8	138,907.39	50,164.66
Trade payables			
- Dues to micro and small enterprises		-	-
- Dues to others	9	117.38	210.83
Other current liabilities	10	347,258.30	338,607.68
Short-term provisions	7	16,647.81	14,313.12
		502,930.88	403,296.29
TOTAL		1,615,736.76	1,193,771.86
ASSETS			
Non-Current Assets			
Fixed assets			
- Property, plant and equipment	11	4,815.92	4,694.58
- Intangible assets	12	38.74	58.02
- Capital work-in-progress		-	108.87
		4,854.66	4,861.47
Non-current investments	13	87,481.13	56,400.28
Deferred tax asset (net)	14	7,224.43	6,064.72
Long-term loans and advances	15	971,036.70	668,627.98
Other non-current assets	16	14,616.21	2,719.57
		1,085,213.13	738,674.02
Current Assets			
Current investments	17	26,058.49	21,898.52
Cash and bank balances	18	14,201.20	6,767.84
Short-term loans and advances	19	460,808.40	404,659.97
Other current assets	20	29,455.54	21,771.51
		530,523.63	455,097.84
TOTAL		1,615,736.76	1,193,771.86
Significant accounting policies	2		

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

As per our report of even date

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm's registration number: 101248W/ W-100022

Ashish Gupta

Partner

Membership No: 215165

Place : Chennai

Date : 16th May, 2018

For and on behalf of the Board of Directors of

Hinduja Leyland Finance Limited

Dheeraj G Hinduja

Chairman

DIN No : 00133410

Kishore Kumar Lodha

Chief Financial Officer

Place : Chennai

Date : 16th May, 2018

S Nagarajan

Executive Vice Chairman

DIN No : 00009236

B Shanmugasundaram

Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
For the year ended 31st March 2018

		INR In Lakhs	
Revenue	Note	31 Mar 2018	31 Mar 2017
Revenue from operations	21	204,669.64	151,111.12
Total revenue		204,669.64	151,111.12
Expenses			
Employee benefits expense	22	8,058.97	6,542.31
Finance cost	23	101,913.29	84,630.33
Depreciation and amortisation	11 and 12	637.60	589.21
Provisions and write off	24	43,464.04	20,803.77
Other expenses	25	19,520.99	12,256.99
Total expenses		173,594.89	124,822.61
Profit before share of profit of equity accounted investee and exceptional items		31,074.75	26,288.51
Share of profit of equity accounted investee (net of tax)		41.58	18.04
Profit before exceptional items and tax		31,116.33	26,306.55
Exceptional items	26	-	310.00
Profit before tax		31,116.33	25,996.55
Tax expense:			
- Current tax		11,619.63	11,695.69
- Deferred tax		(1,159.71)	(2,652.82)
Profit after tax		20,656.41	16,953.68
Earnings per equity share of ₹ 10 each	27		
-Basic (in ₹)		4.78	4.37
-Diluted (in ₹)		4.78	4.36
Significant accounting policies	2		

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

As per our report of even date

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm's registration number: 101248W/ W-100022

Ashish Gupta

Partner

Membership No: 215165

Place : Chennai

Date : 16th May, 2018

For and on behalf of the Board of Directors of

Hinduja Leyland Finance Limited

Dheeraj G Hinduja

Chairman

DIN No : 00133410

Kishore Kumar Lodha

Chief Financial Officer

Place : Chennai

Date : 16th May, 2018

S Nagarajan

Executive Vice Chairman

DIN No : 00009236

B Shanmugasundaram

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31st March 2018

	INR In Lakhs	
	31 Mar 2018	31 Mar 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	31,116.33	25,996.55
Adjustments for:		
Share of profit of equity accounted investee (net of tax)	(41.58)	(18.04)
Depreciation and amortisation	637.60	589.21
Contingent provision against standard assets	1,937.40	1,343.76
Provision for non-performing assets	2,785.16	8,564.15
Bad debts written off	11,495.01	302.11
Fixed assets written off	-	0.34
Discount on commercial paper	3,190.33	2,728.56
Share based payment expense	84.21	137.67
Provision for compensated absence and gratuity	1.52	58.07
OPERATING CASH FLOW BEFORE WORKING CAPITAL CHANGES	51,205.98	39,702.38
Adjustments for:		
(Increase) in loan to customers (excluding repossessed assets)	(329,656.05)	(235,065.65)
(Increase) in repossessed assets	(6,667.77)	(372.87)
(Increase) in other loans and advances	(38,393.02)	(40,615.78)
Increase in current, non- current liabilities and provisions	8,366.51	19,936.78
Cash (used in) from operations	(315,144.35)	(216,415.15)
Taxes paid (net)	(14,621.10)	(10,240.15)
NET CASH (used in) OPERATING ACTIVITIES (A)	(329,765.45)	(226,655.30)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investment in pass through securities (net)	(31,516.62)	1,819.05
Investment in redeemable non convertible debentures (net)	(3,682.62)	(31,950.84)
Investment in funds	-	(10,000.00)
Bank deposits (having maturity of more than three months)	(8,564.09)	5,499.93
Purchase of fixed assets (tangible and intangible fixed assets) including capital work-in-progress and capital advances	(630.77)	(1,174.94)
NET CASH (USED IN) FROM INVESTING ACTIVITIES (B)	(44,394.10)	(35,806.80)

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31st March 2018

		INR In Lakhs	
	Note	31 Mar 2018	31 Mar 2017
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of equity shares including securities premium (net)		45,237.59	25,244.63
Proceeds from borrowings		522,846.38	429,258.21
Repayments of borrowings		(267,052.02)	(169,860.96)
Proceeds from working capital loan/ cash credit (net) and commercial paper (net)		83,893.51	(28,395.32)
NET CASH FROM FINANCING ACTIVITIES (C)		384,925.46	256,246.56
Net increase in cash and cash equivalents (A+B+C)		10,765.91	(6,215.53)
Cash and cash equivalents at the beginning of the period		2,796.12	9,011.65
Cash and cash equivalents at the end of the period		13,562.03	2,796.12
Components of cash and cash equivalents	18		
Cash and cheques on hand		8,215.24	1,480.27
Balances with banks			
-in current accounts		5,346.79	1,315.85
INR In Lakhs		13,562.03	2,796.12
Significant accounting policies	2		

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

As per our report of even date
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's registration number: 101248W/ W-100022

Ashish Gupta
Partner
Membership No: 215165

Place : Chennai
Date : 16th May, 2018

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

Dheeraj G Hinduja
Chairman
DIN No : 00133410

Kishore Kumar Lodha
Chief Financial Officer

Place : Chennai
Date : 16th May, 2018

S Nagarajan
Executive Vice Chairman
DIN No : 00009236

B Shanmugasundaram
Company Secretary

1 Company overview

Hinduja Leyland Finance Limited (the Company), incorporated 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 subsidiary and associate of the Company are listed below:

Name of the Company	Relationship	Percentage holding
Hinduja Housing Finance Limited	Subsidiary Company	100%
HLF Services Limited	Associate Company	45.90%

The Company, subsidiary and associate are collectively referred to as Group.

2. Significant accounting policies

2.1. Basis of preparation

The consolidated financial statements have been prepared and presented under the historical cost convention and accrual basis of accounting, unless otherwise stated, and in accordance with the generally accepted accounting principles in India (“Indian GAAP”) and conform to the statutory requirements, circulars and guidelines issued by the Reserve Bank of India (RBI) and National Housing Bank (NHB) from time to time to the extent they have an impact on the financial statements and current practices prevailing in India. The financial statements have been prepared to comply in all material respects with the Accounting Standards (“AS”) notified under Section 133 of the Companies Act 2013, read with Companies (Accounting Standard) Rules, 2006 to the extent applicable..

The consolidated financial statements are presented in Indian rupees rounded off to the nearest lakh upto two decimal places.

The Consolidated Financial Statements has been prepared in the following basis:

- a) The financial statements of the Company and its subsidiary company have been combined on a line by line basis by adding together the book values of all items of assets, liabilities, incomes and expenses after eliminating the intra group balances and intra group transactions and resulting unrealised profits in full as per Accounting Standard 21 – Consolidated Financial Statements (AS 21). Investment in subsidiary is eliminated and difference between cost of investment over the net assets on the date of the investment in subsidiary is recognised as goodwill/ capital reserve, as the case may be.
- b) Investment in associate company where the Company holds 20% or more of equity are accounted using the equity method of accounting in accordance with Accounting Standard 23 - Accounting for Investment in Associates in Consolidated Financial Statements (AS 23), where it is able to exercise significant influence over the operating and financial policies of the investee. The Company accounts for its share in the change of the net assets of the associate after elimination of the unrealised profits or losses resulting from transactions between the Company and its associate, as applicable, to the extent of its share through the statement of profit and loss based on the available information.

- c) If, under the equity method, the Company's share of losses of an associate equals or exceeds the carrying amount of the investment, the Company discontinues recognising its share of further losses and the investment is reported at Nil value. Additional losses are provided for to the extent that the Company has incurred obligations or made payments on behalf of the associate to satisfy obligations of the associate that the Company has guaranteed or to which the Company is otherwise committed. If the associate subsequently reports profits, the Company resumes including its share of those profits only after its share of the profits equals the share of net losses that have not been recognised.
- d) Goodwill on consolidation represents the excess of purchase consideration over the net book value of assets acquired of the subsidiary as on the date of investment. Goodwill on consolidated is not amortised but is tested for impairment on each balance sheet date and impairment losses are recognised.
- e) As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's standalone financial statements.
- f) The financial statement of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Company.
- g) Investments other than in subsidiary and associate are accounted as per the Accounting Standard 13 - Accounting for Investments (AS 13).

All assets and liabilities have been classified into current or non-current as per Company's operating cycle and other criteria as set out in Schedule III to the Companies Act, 2013. Based on the nature of the services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

2.2. Use of estimates

The preparation of consolidated financial statements in conformity with Generally Accepted Accounting Principles ('GAAP') requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods..

2.3. Loan to customers

Loan to customers include assets given on finance / loan and amounts paid for acquiring financial assets from other Banks / NBFCs / HFCs.

Loan to customers represents amounts receivable under finance / loan agreements and are valued at net investment amount including installments due and is net of amounts securitised / assigned and includes advances under such agreements.

2.4. Revenue recognition

- a) Interest / finance income from loans to customers included in revenue from operations represents interest income arrived at based on internal rate of return method. Interest income is recognised as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable, except in the case of non-performing assets (NPA) where it is recognised upon realisation.
- b) Interest income on Housing Loans is recognized on accrual basis except in case of non-performing assets where interest is recognized on realization, as per NHB guidelines. Repayment of housing loan is by way of Equated monthly Instalment (EMI) comprising principal and interest. Interest is calculated on monthly reducing balance in terms of financing scheme opted by borrowers. EMI commences once the entire loan is disbursed. Pending commencement of EMI, pre-EMI interest is charged every month and is accounted on accrual basis.
- c) **Income on securitisation / assignment**

In respect of transfer of financial assets by way of securitisation or bilateral assignments, the said assets are de-recognized upon contractual transfer thereof, and transfer of substantial risks and rewards to the purchaser. The gain arising on transfer of financial assets by way of securitisation or bilateral assignments, if received in cash, is amortised over the tenure of the related financial assets, and if received by way of excess interest spread, is recognised based on accrual basis. Loss on sale, if any, is charged to statement of profit and loss immediately at the time of sale.
- d) Upfront service charges / processing fee and documentation charges pertaining to loan origination is amortised over the tenure of the loan.
- e) Interest on fixed deposits, pass-through securities and debentures is recognised on an accrual basis.
- f) Income from other services is recognized on accrual basis.
- g) The sale of non-performing assets is accounted for as per the guidelines prescribed by RBI. On sale, the assets are derecognised from the books. If the sale proceeds are lower than the net book value ('NBV') (i.e., book value less provisions held), the shortfall is charged to the statement of profit and loss in the year of sale. In case of sale other than in cash, if the sale proceeds are higher than the NBV, the excess provision is written back in the year the amounts are received, as required by the RBI.
- h) Income on security receipts ('SRs') are recognised only after the full redemption of the entire principal amount of SRs.

2.5 Provisioning for non-performing assets and doubtful debts

NPA including loans and advances and receivables are identified as bad / doubtful based on the duration of the delinquency. NPA provisions are made based on the management's assessment of the degree of impairment and the level of provisioning meets the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended by Reserve Bank of India from time to time ('Framework'). These provisioning norms are considered the minimum and additional provision is made based on perceived credit risk where necessary.

All contracts which as per the management are not likely to be recovered are considered as loss assets and written off as bad debts. Recoveries made from written off contracts are included in 'other operating income'.

Housing loans are classified as per National Housing Bank (NHB) Directions, 2010. (NHB guidelines), into performing assets and Non-Performing Assets (NPA). Further NPA are classified into sub-standard, doubtful and loss assets, and provision is made based on NHB guidelines. Additional provisions are made against specific NPA over and above as stated in NHB guidelines, if in the opinion of management higher provision is necessary.

2.6 Provisions for standard assets

Provisions for standard assets are made as per the Prudential norms as applicable from time to time. Such provision is disclosed as 'contingency provision on standard assets' under the financial statement caption 'provisions'.

The Group maintains general provisions for standard assets as per NHB guidelines as regards its subsidiary.

2.7 Property, plant and equipment, intangible assets and capital work-in-progress

Property, plant and equipment are carried at cost less accumulated depreciation. The cost of property, plant and equipment includes non-refundable taxes, duties, freight and other incidental expenses incurred in relation to the acquisition and installation of the respective assets.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as long term loans and advances. The cost of property, plant and equipment not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress

Intangible assets are recorded at the consideration paid for acquisition / development and licensing less accumulated amortisation.

2.8. Depreciation and amortisation

Depreciation on property, plant and equipment is provided using the straight line method over the estimated useful life of each asset as determined by the management. The useful life estimates prescribed in Part C of Schedule II to the Companies Act, 2013 are generally adhered to, except in respect of asset classes where, based on technical evaluation, a different estimate of useful life is considered suitable.

Pursuant to this policy, the useful life of the assets is estimated at:

Assets Description	Useful life
Building	20 years
Furniture and Fittings	8 years
Vehicles	5 years
Office equipment	5 years
Servers and computers (included in office equipment)	3 -6 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 is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed.

Intangible assets are amortised over their estimated useful lives, not exceeding five years, on a straight line basis, commencing from the date the asset is available to the Company for its use.

2.9. Impairment

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

2.10. Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments".

Investment in security receipts (SRs) is recognised at lower of: (i) net book value (NBV) (i.e., book value less provisions held) of the financial asset; and (ii) estimated redemption value of SRs at the end of each reporting period, as prescribed by RBI. Accordingly, in cases where the SRs issued by the Securitisation Company / Asset Reconstruction Company (SC/ARC) are limited to the actual realisation of the underlying financial assets, the net asset value, obtained from the SC/ARC, is reckoned for valuation of such investments. The SRs outstanding and not redeemed as at the end of the resolution period are treated as loss assets and are fully provided for.

Long-term investments (including current portion thereof) are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each investment.

Any reduction in the carrying amount and any reversals of such reductions are charged or credited to the statement of profit and loss.

2.11. Repossessed assets

Repossessed assets are valued at lower of amounts due from the customer or net realisable value.

2.12. Employee benefits

a) Provident fund

Contributions paid / payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss..

b) Gratuity

The Group's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.

Actuarial gains and losses are recognised immediately in the statement of profit and loss.

c) Compensated absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

d) Employee stock option plan

The intrinsic value i.e. excess of fair value of shares, at the date of grant of options under the Employee Stock Option Scheme of the Company, over the exercise price is regarded as employee compensation. This is recognised on a straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares.

2.13. Loan origination costs

Sourcing expenses, brokerage, commission, service provider fee, incentives etc. paid for loan origination are charged to expense over the tenure of the loan and included under other expenses - Sourcing expenses / service provider fees.

2.14. Provision

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. is recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

2.15. Income taxes

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in Statement of profit or loss.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

2.16. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.17. Transactions in foreign currencies

Foreign currency denominated monetary assets and liabilities are translated at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

2.18. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Group in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition

or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are amortised over the tenor of the respective loan.

2.19. Operating leases

Lease payments for assets taken on an operating lease are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

2.20. Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit after tax attributable to the equity shareholders for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The diluted potential equity shares have been adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares)..

In computing diluted earnings per share, only potential equity shares that are dilutive and that reduce profit / loss per share are included.

2.21. Cash and cash equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

2.22. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.23. Segment reporting

The Company is engaged in the business of financing and related activities. Further, the Company does not have any separate geographic segments other than India. There are no separate reportable segments as per AS 17 - Segment Reporting.

	31 Mar 2018	31 Mar 2017
INR In Lakhs		
3 SHARE CAPITAL		
Authorised		
622,907,700 (Previous year: 622,907,700) equity shares of INR 10/- each	62,290.77	62,290.77
Issued, subscribed and paid up	62,290.77	62,290.77
Equity share capital:		
456,437,968 (Previous year: 412,155,921) equity shares of INR 10/- each	45,643.80	41,215.59
	45,643.80	41,215.59

a) **Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:**

	As at 31 Mar 2018		As at 31 Mar 2017	
	Number	Amount	Number	Amount
Equity shares				
At the beginning of the year	412,155,921	41,215.59	378,718,619	37,871.86
Issued during the year	44,282,047	4,428.21	33,437,302	3,343.73
Outstanding at the end of the year	456,437,968	45,643.80	412,155,921	41,215.59

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**

	As at 31 Mar 2018		As at 31 Mar 2017	
	Number	% holding	Number	% holding
Equity shares				
Ashok Leyland Limited; holding company	282,311,000	61.85%	235,749,382	57.20%

INR In Lakhs

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

Equity shares	As at 31 Mar 2018		As at 31 Mar 2017	
	Number	% holding in class	Number	% holding in class
Ashok Leyland Limited; holding company	282,311,000	61.85%	235,749,382	57.20%
IndusInd International Holdings Limited	91,699,720	20.09%	80,751,012	19.59%
Everfin Holdings	31,897,134	6.99%	57,652,421	13.99%
Hinduja Ventures Limited	25,815,438	5.66%	21,557,692	5.23%

e) Shares reserved for issue under employee stock option plan

	As at 31 Mar 2018		As at 31 Mar 2017	
	Number	Amount	Number	Amount
Under Employee stock option scheme, 2013 at an exercise price as determined by the Nomination and Remuneration Committee	19,906,191	1,990.62	19,906,191	1,990.62

Note: The terms attached to stock options granted to employees are described in note 29 regarding employee share based payments.

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 31 March 2018, 2,601,500 (Previous year: 2,234,000) equity shares issued under employee stock option plan for which only exercise price has been received in cash.

4 RESERVES AND SURPLUS

I. Securities premium account

	As at 31 March 2018	INR In Lakhs As at 31 March 2017
At the beginning of the year	36,654.11	14,466.21
Add : Premium received on equity shares	40,809.38	21,900.90
Add: Transferred from employee stock option outstanding account	27.00	287.00
At the end of the year	77,490.49	36,654.11

II. Employee stock option outstanding account

At the beginning of the year	51.48	200.81
Add : Share based payment expense for the year	84.21	137.67
Less : Transferred to securities premium account on exercise of stock options	(27.00)	(287.00)
At the end of the year	108.69	51.48

	INR In Lakhs	
III. Statutory Reserve*		
At the beginning of the year	14,299.41	10,912.29
Add: Amount transferred from surplus in statement of profit and loss	4,122.96	3,387.12
At the end of the year	18,422.37	14,299.41
IV. Surplus in statement of profit and loss		
At the beginning of the year	57,080.39	43,513.83
Add: Profit for the year	20,656.41	16,953.68
Less: Transfer to statutory reserve	(4,122.96)	(3,387.12)
Net surplus in the statement of profit and loss	73,613.84	57,080.39
Total reserves and surplus	169,635.39	108,085.39

* Hinduja Leyland Finance Limited and Hinduja Housing Finance Limited have created a statutory reserve at the rate of 20% of profit after tax as per Section 45-IC of Reserve Bank of India Act, 1934 and Section 29C of National Housing Bank Act, 1987 respectively

5 LONG-TERM BORROWINGS

	Non-current portion		Current portion*	
	31 Mar 2018	31 Mar 2017	31 Mar 2018	31 Mar 2017
UNSECURED				
10,350 (Previous year: 6,850) Subordinated redeemable non-convertible debentures	103,500.00	68,500.00	-	-
SECURED				
23,850 (Previous year: 25,300) Redeemable non-convertible debentures	208,600.00	198,500.00	29,900.00	72,500.00
Term loans from banks	567,144.11	363,899.10	271,343.20	225,454.37
Vehicle loan	-	20.76	28.13	39.67
	879,244.11	630,919.86	301,271.33	297,994.04

* included in other current liabilities (refer note 10)

5.1 DETAILS RELATING TO TERM LOANS

Repayment terms	Remaining installments		Total amount repayable	
	31 Mar 2018	31 Mar 2017	31 Mar 2018	31 Mar 2017
Monthly	243	36	19,856.39	4,957.39
Quarterly	517	351	441,468.68	337,897.23
Half-yearly	45	39	321,328.91	229,832.19
Annual	8	5	40,833.33	16,666.66
On maturity	1	-	15,000.00	-
			838,487.31	589,353.47

- The term loans from banks carry interest rates ranging from "Marginal Cost of Funds based Lending Rate (MCLR) of the respective bank" to "MCLR of the respective bank + 1.10% per annum" and the loan period ranges from 3 to 8 years. As at 31 March 2018, the rates of interest across the loans are in the range of 8.15% p.a to 10.70% p.a.
- Vehicle loans amounting to INR 28.13 (Previous year : INR 60.43) are repayable in monthly instalments over a period of 4 years, the balance payable as of 31 March 2018 is payable within the next 12 months and shown as "Current portion" , refer note 10
- The term loans in relation to Hinduja Housing Finance Limited carry interest rates ranging from "Marginal Cost of Funds based Lending Rate (MCLR) of the respective bank" to "MCLR of the respective bank + 0.70% per annum" and the loan period ranges from 5 to 9 years. As at 31 March 2018, the rate of interest across the loans was in the range of 8.15% p.a to 9.00% p.a.

5.2 Details relating to Sub-ordinated debentures

10,350 (Previous year : 6,850) debentures were issued with a face value of INR 1,000,000/-. These debentures carry interest rates ranging from 9.20% p.a. to 12.40% p.a. and the redemption period is 5 to 7 years.

5.3 Details relating to Redeemable Non-convertible debentures

Out of 23,850 (Previous year: 25,300) debentures,

- Nil (Previous year : 1,200) debentures were issued with a face value of INR 2,500,000/-. These debentures carry interest rates at 10.50% p.a. and the redemption period is 3 years from the date of allotment.
- 14,350 (Previous year: 14,600) debentures were issued with a face value of INR 1,000,000/-. As at 31 March 2018, these debentures carry interest rates ranging from 8.50% p.a. to 10.65% p.a. and the redemption period is ranging from 1 year to 5 years from the date of allotment.
- 9,500 (Previous year: 9,500) debentures were issued with a face value of INR 1,000,000/-. These debentures carry interest rates ranging from "Base rate of State Bank of India" to "Base rate of State Bank of India + 0.05%" and the redemption period is 5 years from the date of allotment. As at 31 March 2018, the rate of interest was in the range of 8.70% p.a to 8.97% p.a.

The aforesaid debentures are listed at Bombay Stock Exchange.

5.4 Nature of security

- Redeemable non-convertible debentures are secured by first ranking mortgage of an immovable property in favour of trustees, in addition to pari passu charge on hypothecation of loan receivables with a security cover of 110% as per the terms of issue.
- Term loans from banks of INR 791,833.74 are secured by hypothecation of designated assets on finance / loan and future receivables therefrom, and investments in pass through certificates.
- Term loans from banks of INR 46,653.57 are secured by an exclusive first charge on the receivables of Hinduja Housing Finance Limited with an asset cover of 1.10 times of the facility outstanding.
- Vehicle loans are secured against the underlying vehicles.

6 OTHER LONG-TERM LIABILITIES	INR In Lakhs	
	As at 31 March 2018	As at 31 March 2017
Income received in advance	7,579.54	4,633.71
Other payable	2,737.21	-
	10,316.75	4,633.71

7 PROVISIONS	INR In Lakhs			
	Long-term		Short-term	
	31 Mar 2018	31 Mar 2017	31 Mar 2018	31 Mar 2017
Contingency provision on standard assets*	3,737.67	2,445.50	1,796.36	1,151.13
Provision for non-performing assets *	4,055.37	2,997.15	14,750.29	13,023.35
Provision for taxation (net)	-	-	20.98	65.56
Provision for employee benefits				
- Gratuity (also refer note 30)	3.92	5.98	29.25	48.36
- Compensated absence	168.87	172.39	50.93	24.72
	7,965.83	5,621.02	16,647.81	14,313.12

* refer note 31 for movement in provisions

	31 Mar 2018	31 Mar 2017
8 SHORT-TERM BORROWINGS		
SECURED		
Cash credit and working capital demand loans from banks	65,116.53	50,164.66
UNSECURED		
Commercial papers		
Face value	75,000.00	-
Less: Unmatured discounting charges	(1,209.14)	-
	73,790.86	-
	1,38,907.39	50,164.66

Nature of Security

Commercial papers carry interest rate ranging from 7.67% p.a. to 8.12% p.a.

Cash credit and working capital demand loans from banks are secured by pari passu charge on receivables other than those that are specifically charged to the lenders. These facilities carry interest rates ranging from "MCLR of the respective bank" per annum" to "MCLR of the respective bank + 1.10% per annum". As at 31 March 2018, the rate of interest across the loans was in the range of 8.25% p.a to 10.35% p.a.

The cash credit is availed from banks, by the subsidiary company, carry interest rates ranging from "Marginal Cost of Funds based Lending Rate (MCLR) of the respective bank" to "Base rate of the respective bank + 1.15% per annum" and these are repayable on demand. As at 31 March 2018, the rate of interest across the loans was in the range of 8.20% p.a to 10.00% p.a.

	31 Mar 2018	31 Mar 2017
9 TRADE PAYABLES		
- Dues to micro enterprises and small enterprises	-	-
- Dues to creditors other than micro enterprises and small enterprises	117.38	210.83
	117.38	210.83

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from October 02, 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.

	31 Mar 2018	31 Mar 2017
10 OTHER CURRENT LIABILITIES		
To related parties		
Dues to HLF Services Limited (Associate Company)	117.69	21.62
To parties other than related parties		
Current maturities of long term borrowings (refer note 5)	301,271.33	297,994.04
Interest accrued but not due on borrowings	19,352.49	21,200.92
Vendor for capital goods	-	9.35
Income received in advance	2,419.34	2,844.30
Dues to		
Assignees towards collections in assigned assets	22,820.85	15,042.55
Employees	586.00	478.08
Statutory authorities	659.51	995.55
Others	31.09	21.27
	347,258.30	338,607.68

INR In Lakhs

Particulars	Freehold land	Building	Leasehold improvements	Furniture and fittings	Vehicles	Office equipment	Total
Gross Block							
At 1 April 2016	2,066.15	952.45	223.51	632.13	630.74	1,133.33	5,638.31
Additions	-	509.16	41.23	63.77	257.33	303.11	1,174.60
Deletions	-	-	-	-	-	0.34	0.34
At 31 March 2017	2,066.15	1,461.61	264.74	695.90	888.07	1,436.10	6,812.57
Additions	-	334.90	71.02	36.60	37.31	264.62	744.45
Deletions	-	-	-	-	-	10.90	10.90
At 31 March 2018	2,066.15	1,796.51	335.76	732.50	925.38	1,689.82	7,546.12
Accumulated Depreciation							
At 1 April 2016	-	117.09	143.11	332.23	242.82	714.53	1,549.78
Charge for the year	-	48.60	81.98	68.42	133.99	235.22	568.21
Deletions	-	-	-	-	-	-	-
At 31 March 2017	-	165.69	225.09	400.65	376.81	949.75	2,117.99
Charge for the year	-	83.00	44.00	63.63	161.00	265.45	617.08
Deletions	-	-	-	-	-	4.87	4.87
At 31 March 2018	-	248.69	269.09	464.28	537.81	1,210.33	2,730.20
Net block at 31 March 2017	2,066.15	1,295.92	39.65	295.25	511.26	486.35	4,694.58
Net block at 31 March 2018	2,066.15	1,547.82	66.67	268.22	387.57	479.49	4,815.92

12 INTANGIBLE ASSETS		INR In Lakhs	
	Particulars	Software	Total
Gross Block			
At 1 April 2016		109.10	109.10
Additions		25.61	25.61
Deletions		-	-
At 31 March 2017		134.71	134.71
Additions		1.27	1.27
Deletions		0.03	0.03
At 31 March 2018		135.95	135.95
Accumulated Amortisation			
At 1 April 2016		55.69	55.69
Charge for the year		21.00	21.00
Deletions		-	-
At 31 March 2017		76.69	76.69
Charge for the year		20.52	20.52
Deletions		-	-
At 31 March 2018		97.21	97.21
Net Block at 31 March 2017		58.02	58.02
Net Block at 31 March 2018		38.74	38.74

	31 Mar 2018	INR In Lakhs 31 Mar 2017
13 NON CURRENT INVESTMENTS		
(valued at cost, unless stated otherwise)		
Trade investments, unquoted:		
HLF Services Limited, an associate (22,950 (31 March 2017 : 22,950) equity shares of INR 10/- each, fully paid up)	137.43	95.85
Investments in pass-through securities (refer note 28)	10,710.37	4,390.11
Investment in security receipts (refer note 28)	17,000.00	-
Investments in funds (refer note 28)	10,000.00	10,000.00
Trade investments, quoted:		
Investments in debentures(redeemable ; non convertible) (refer note 28)	49,633.33	41,914.32
	87,481.13	56,400.28
Details of equity accounted associate : 45.90% stake in HLF Services Limited		
(i) Cost of investment (including Goodwill of INR NIL) on consolidation	2.30	2.30
(ii) Share of profits	135.13	93.55
Total	137.43	95.85
Aggregate book value of unquoted investment in associate	137.43	95.85
Aggregate amount of quoted investments and market value (non-current):		
(i) Aggregate book value	49,633.33	41,914.32
(ii) Aggregate market value	49,633.33	41,914.32
Aggregate book value of unquoted investments (non-current)	37,847.80	14,485.96
14 DEFERRED TAX ASSET (net)		
Deferred tax asset		
Contingency provision against standard assets	1,899.81	1,241.94
Provision against non-performing assets	5,291.30	4,748.31
Provision for employee benefits	97.71	86.59
Excess of depreciation / amortisation on fixed assets as per books over depreciation / amortisation under income tax law	45.20	-
Others	2.26	13.05
	7,336.28	6,089.89
Deferred tax liability		
Excess of depreciation / amortisation on fixed assets under income tax law over depreciation / amortisation as per books	5.68	12.65
Others	106.17	12.52
	111.85	25.17
Net deferred tax asset	7,224.43	6,064.72

15 LONG-TERM LOANS AND ADVANCES

INR In Lakhs

	Non-current portion		Current portion *	
	31 Mar 2018	31 Mar 2017	31 Mar 2018	31 Mar 2017
Loan to customers (Considered good unless otherwise stated)				
Secured, considered good	938,715.66	649,304.34	311,619.78	299,436.29
Secured, considered doubtful #	13,888.72	7,277.57	55,281.96	46,961.07
Unsecured, considered good	-	-	-	99.47
Unsecured, considered doubtful #	4,568.60	3,882.09	1,801.12	1,530.47
Others				
Unsecured, considered good				
Prepaid expenses	9,987.11	7,362.05	8,409.50	6,396.61
Balance with government authorities	-	21.75	-	-
Security deposits	570.98	431.44	989.10	676.85
Accrued income on assigned contracts	-	-	433.40	694.06
Advance tax (net of provision for tax)	3,305.63	348.74	-	-
	971,036.70	668,627.98	378,534.86	355,794.82

* See note 19

also refer to note 31

16 OTHER NON CURRENT ASSETS

Bank deposits held as security (refer note 18)
(Cash collateral towards securitisation)

Interest accrued on deposits placed as cash collateral

	31 Mar 2018	31 Mar 2017
Bank deposits held as security (refer note 18) (Cash collateral towards securitisation)	14,492.50	2,703.42
Interest accrued on deposits placed as cash collateral	123.71	16.15
	14,616.21	2,719.57

	31 Mar 2018	INR In Lakhs 31 Mar 2017
17 CURRENT INVESTMENTS		
Current portion of long term investments		
Trade investments, unquoted:		
Investments in pass-through securities (refer note 28)	17,777.50	9,581.14
Trade investments, quoted:		
Investments in debentures(redeemable; non convertible) (refer note 28)	8,280.99	12,317.38
	26,058.49	21,898.52
Aggregate amount of quoted current investments and market value:		
(i) Aggregate book value	8,280.99	12,317.38
(ii) Aggregate market value	8,280.99	12,317.38
Aggregate book value of unquoted current investments	17,777.50	9,581.14
Aggregate amount of quoted investments and market value (current and non-current):		
(i) Aggregate book value	57,914.32	54,231.70
(ii) Aggregate market value	57,914.32	54,231.70
Aggregate book value of unquoted investments (current and non-current)	55,625.30	24,067.10
18 CASH AND BANK BALANCES		
Cash and cash equivalents		
Cash and cheques on hand	8,215.24	1,480.27
Balances with banks		
-In current accounts	5,346.79	1,315.85
-In deposit accounts (with original maturity of 3 months or less)	-	-
Other bank balances	639.17	3,971.72
	14,201.20	6,767.84
Details of bank balances		
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'cash and bank balances'	5,346.79	1,315.85
Bank deposits due to mature within 12 months from the reporting period included under 'other bank balances'	639.17	3,971.72
Bank deposits due to mature after 12 months from the reporting period included under 'other non current assets' (refer note 16)	14,492.50	2,703.42

	31 Mar 2018	INR In Lakhs 31 Mar 2017
19 SHORT-TERM LOANS AND ADVANCES		
Current portion of long-term loans and advances (refer note 15)		
Loan to customers (Considered good unless otherwise stated)		
Secured, considered good	311,619.78	299,436.29
Secured, considered doubtful	55,281.96	46,961.07
Unsecured, considered good	-	99.47
Unsecured, considered doubtful	1,801.12	1,530.47
Prepaid expenses	8,409.50	6,396.61
Accrued income on assigned contracts	433.40	694.06
Security deposits	989.10	676.85
Other short-term loans and advances		
To parties other than related parties (Unsecured, considered good)		
Dealer trade advances	71,216.98	35,176.49
Inter-corporate deposits	5,003.07	5,000.00
Balance with government authorities	-	496.95
Advances to employees	132.49	111.18
Others	1,382.07	702.76
To related parties (Unsecured; Considered good)		
Dues from Hinduja Energy (India) Limited (Fellow subsidiary)	4,500.00	5,000.00
Dues from Gulf Ashley Motors Limited (Fellow subsidiary)	38.93	2,377.77
	460,808.40	404,659.97
20 OTHER CURRENT ASSETS		
To parties other than related parties		
<i>(Secured, considered good)</i>		
Reposessed assets (also refer note 24 and 31)	19,171.82	12,504.05
<i>(Unsecured, considered good)</i>		
Interest accrued on investments	1,406.95	1,141.46
Interest accrued on deposits placed as cash collateral	44.10	88.60
Others	2,252.44	2,484.65
To related parties (Unsecured ; Considered good)		
Dues from HLF Services Limited (Associate Company)	6,580.23	5,552.75
	29,455.54	21,771.51

	31 Mar 2018	INR In Lakhs 31 Mar 2017
21 REVENUE FROM OPERATIONS		
Interest / finance income		
- on loan to customers	175,208.50	133,660.76
- on fixed deposits	604.93	573.21
- on investment in pass through securities and funds	2,431.41	1,680.63
- on investment in debentures	6,320.29	3,127.91
Other operating income		
Service charges	5,219.04	2,494.54
Documentation charges	138.63	718.00
Other charges	5,278.08	3,722.41
Bad debts recovered	-	599.91
Income from other services	9,468.76	4,533.75
	204,669.64	151,111.12
22 EMPLOYEE BENEFIT EXPENSE		
Salaries, allowances and incentives	7,313.45	5,920.73
Share based payment expense	84.21	137.67
Contribution to provident and other funds	383.92	312.19
Staff welfare expenses	277.39	171.72
	8,058.97	6,542.31
23 FINANCE COST		
Interest on		
- Term loans	60,951.35	44,822.29
- Subordinated redeemable non-convertible debentures	9,124.28	7,536.29
- Redeemable non-convertible debentures	23,755.89	24,898.87
- Cash credit/ working capital demand loans	3,942.88	4,039.63
Amortisation of discount on commercial papers	3,520.65	2,728.56
Other finance charges		
- Amortisation of processing fees	618.24	604.69
	101,913.29	84,630.33

	INR In Lakhs	
	31 Mar 2018	31 Mar 2017
24 PROVISIONS AND WRITE OFF		
Loss on repossessed contracts (also refer note 31)	27,246.47	10,593.75
Provision for non-performing assets and contingency provision against standard assets (also refer note 31)	4,722.56	9,907.91
Bad debts written off	11,495.01	302.11
	43,464.04	20,803.77
25 OTHER EXPENSES		
Service provider and sourcing expenses	11,387.46	5,868.92
Rent	1,082.46	714.03
Insurance	144.83	168.70
Electricity charges	215.34	166.22
Communication expenses	476.99	442.45
Documentation charges	611.43	313.87
Legal and professional charges	2,235.17	1,645.79
Rates and taxes	165.81	171.67
Office maintenance	410.26	386.67
Bank charges	620.28	268.62
Printing and stationery	366.25	328.51
Travelling and conveyance	419.28	586.24
Meeting and conference expenses	82.04	103.66
Sitting fees to directors	83.52	79.07
Other expenses	1,219.87	1,012.57
	19,520.99	12,256.99
* includes payment to auditors		
As auditor:		
Statutory audit	35.00	27.00
Tax audit	2.25	2.00
Limited review of half yearly results	12.00	4.00
Consolidation	6.00	5.00
In other capacity:		
Certification	6.00	5.00
Other services	17.50	10.50
Reimbursement of expenses	4.02	4.14
	82.77	57.64

	INR In Lakhs	
	31 Mar 2018	31 Mar 2017
26 EXCEPTIONAL ITEMS		
Expenses incurred in relation to filings with SEBI	-	310.00
	-	310.00
During the previous year, the Company had incurred costs towards filing of its draft red herring prospectus with SEBI. The Company has charged off such costs to the Income Statement		
27 EARNINGS PER SHARE		
Net profit for calculation of basic/ dilutive EPS	20,656.41	16,953.68
Equity shares (nominal value of INR 10/- each)		
Weighted average number of equity shares outstanding for calculation of basic EPS	432,095,285	387,786,769
Effect of dilutive potential equity shares		
Employee stock options	371,286	813,418
Weighted average number of equity shares outstanding for calculation of dilutive EPS	432,466,571	388,600,187
Earnings per Share (INR)		
- Basic	4.78	4.37
- Diluted	4.78	4.36

28 DETAILS OF INVESTMENTS

A. Debentures

	Face value (In Lakhs)	As at 31 March 2018			As at 31 March 2017				
		Units	Non-current	Current	Total	Units	Non-current	Current	Total
Muthoot Microfin Limited	10	400	4,000.00	-	4,000.00	400	4,000.00	-	4,000.00
Suryoday Micro Finance Limited	10	400	4,000.00	-	4,000.00	400	4,000.00	-	4,000.00
Utkarsh Micro finance Limited	10	400	4,000.00	-	4,000.00	400	4,000.00	-	4,000.00
RGVN (North East) Microfinance Limited	10	400	2,000.00	1,333.33	3,333.33	-	-	-	-
Indian School Finance Company Private Limited	1	1,000	1,000.00	-	1,000.00	-	-	-	-
Asirvad Microfinance Private Limited	10	380	3,800.00	-	3,800.00	380	3,800.00	-	3,800.00
Belstar Investment and Finance Private Limited	10	400	1,666.67	1,000.00	2,666.67	400	2,666.67	1,333.33	4,000.00
Annapurna Microfinance Private Limited	10	350	3,500.00	-	3,500.00	460	3,500.00	137.50	3,637.50
Arohan Financial Services Private Limited	10	350	3,500.00	-	3,500.00	350	3,500.00	-	3,500.00
Five-Star Business Finance Limited	10	300	3,000.00	-	3,000.00	300	3,000.00	-	3,000.00
Sonata Finance Private Limited	10	300	3,000.00	-	3,000.00	300	3,000.00	-	3,000.00
Samasta Microfinance Private Limited	10	200	1,000.00	833.33	1,833.33	200	166.67	958.33	1,125.00
Madura Microfinance Limited	10	400	4,000.00	-	4,000.00	-	-	-	-
Disha Microfin Limited	10	250	2,500.00	-	2,500.00	250	2,500.00	-	2,500.00
Satin Creditcare Network Limited	10	450	3,833.33	666.67	4,500.00	250	2,500.00	-	2,500.00
S.M.I.L.E. Microfinance Limited	10	250	500.00	791.67	1,291.67	250	1,291.67	1,000.00	2,291.67
ASA International India Microfinance Ltd.	10	200	833.33	500.00	1,333.33	200	1,500.00	500.00	2,000.00
Muthoot Housing Finance Company Limited	10	200	2,000.00	-	2,000.00	-	-	-	-
Intrepid Finance And Leasing Private Limited	10	150	-	437.50	437.50	365	437.50	1,495.83	1,933.33
Zen Lefin Private Limited	10	250	-	604.17	604.17	250	604.17	1,250.00	1,854.17
Svasti Microfinance Private Limited	10	175	-	385.42	385.42	275	385.42	1,333.33	1,718.75
Pudhuaru Financial Services Private Limited	10	300	-	458.34	458.34	300	458.33	1,250.00	1,708.33
Pahal Financial Services Private Limited	10	100	-	301.81	301.81	300	301.81	1,225.73	1,527.54
Lendingkart Finance Limited	10	125	-	302.08	302.08	125	302.08	625.00	927.08
Saija Finance Private Limited	10	-	-	-	-	320	-	858.33	858.33
Chaitanya India Fin Credit Private Limited	10	-	-	-	-	100	-	125.00	125.00
M Power Microfinance Private Limited	10	-	-	-	-	100	-	125.00	125.00
Fusion Microfinance Private Limited	10	200	1,000.00	666.67	1,666.67	80	-	100.00	100.00
ESAF Small Finance Bank Limited	10	50	500.00	-	500.00	-	-	-	-
			49,633.33	8,280.99	57,914.32		41,914.32	12,317.38	54,231.70

Notes to the Consolidated Financial Statements
For the year ended 31st March 2018

	As at 31 March 2018				As at 31 March 2017				
	Face value (in Lakhs)	Units	Non-current	Current	Total	Units	Non-current	Current	Total
B. Pass-through securities									
Vivriti Norsu 007 2017	301,570,015		-	1,116.61	1,116.61	-	-	-	-
Taurus CV Trust March 2017	180	180	1,006.40	-	1,006.40	180	1,064.19	736.18	1,800.37
Gemini CV Trust II	40	40	1,049.63	-	1,049.63	-	-	-	-
Gemini CV Trust	40	40	888.24	-	888.24	-	-	-	-
Ramnos IFMR Capital 2017	80,294,430		717.37	-	717.37	-	-	-	-
Ezra SBL IFMR Capital 2017	110,000,000		374.59	275.04	649.63	110,000,000	888.98	211.02	1,100.00
Moses IFMR Capital 2016	70,073,574		-	700.74	700.74	70,073,574	-	700.74	700.74
Solstice Trust Series I 2017	68,476,432		684.76	-	684.76	-	-	-	-
Aguamenti IFMR Capital 2017	70,000,000		-	302.76	302.76	-	-	-	-
Iamus SBL IFMR Capital 2016	229,445,426		-	407.06	407.06	229,445,426	772.91	595.07	1,367.98
Vivriti Aleta 001 2017	70,000	70,000	-	411.58	411.58	-	-	-	-
Jupiter SBL IFMR Capital 2017	92,276,559		-	362.79	362.79	50,000,000	255.12	244.88	500.00
Inguz SBL IFMR Capital 2016	115,000,000		17.57	382.89	400.46	115,000,000	634.62	359.78	994.40
Vivriti Jinn 011 2017	43,409,074		434.09	-	434.09	-	-	-	-
Inguz SBL IFMR Capital 2016 - A1	81,194,400		13.27	270.34	283.61	-	-	-	-
Vivriti Rey 010 2017	26,986,169		-	269.86	269.86	-	-	-	-
IFMR Capital Mosec Harv 2017	60,000,000		1.97	161.00	162.97	60,000,000	191.90	346.82	538.72
Astraea SBL IFMR Capital 2015	23,371,631		-	186.37	186.37	23,371,631	194.60	272.83	467.43
Vivriti Yoda 009 2017	20,691,688		-	206.92	206.92	-	-	-	-
Golani SBL IFMR Capital 2015	8,401,526		-	125.77	125.77	8,401,526	144.97	225.44	370.41
Vivriti Pavo 012 2017	17,500,000		-	175.00	175.00	-	-	-	-
Scofield SBL IFMR Capital 2017	90,430,058		-	33.95	33.95	90,430,058	58.34	667.51	725.85
Techne SBL IFMR Capital 2015	221,327		-	94.74	94.74	221,327	184.48	248.30	432.78
Cedar Inclusive Finance Trust 2	70,000,000		700.00	-	700.00	-	-	-	-
Cedar Inclusive Finance Trust 4	269,317,998		217.92	2,475.26	2,693.18	-	-	-	-
Desdemona Northern Arc 2018	74,786,760		41.01	706.85	747.86	-	-	-	-
Desdemona Northern Arc 2018	45,213,240		30.94	420.87	451.81	-	-	-	-
Mimir IFMR Capital	185,000,000		-	1,372.30	1,372.30	-	-	-	-
Northern Arc 2018 MFI Bamani	206,978,365		-	2,069.78	2,069.78	-	-	-	-
Nymeria SBL Northern Arc 2018	176,599,273		1,185.99	470.82	1,656.81	-	-	-	-
Trariti IFMR Capital	250,000,000		-	1,725.52	1,725.52	-	-	-	-

Face value (In Lakhs)	As at 31 March 2018			As at 31 March 2017		
	Units	Non-current	Current	Units	Non-current	Current
B. Pass-through securities						
Viviriti pereira	85,000,000	48.91	727.53	-	-	-
Viviriti Krishi 003 2018	76,856,641	199.51	569.06	-	-	-
Viviriti Morris 003 2018	200,001,701	313.42	1,686.60	-	-	-
ELBE SBL IFMR Capital SR-A1 PTC 30JUL17	290,442,600	2,784.78	69.49	-	-	-
Quail CV IFMR Capital 2016	-	-	-	4,491,369	-	538.96
Icharus IFMR Capital 2016	-	-	-	166,561,747	-	1,726.04
Fioritura IFMR Capital 2016	-	-	-	8,592,487	-	601.47
IFMR Capital Mosec Arcturus 2016	-	-	-	21,707,503	-	434.15
Mithras IFMR Capital 2015	-	-	-	28,893,349	-	288.93
Summanus IFMR Capital 2016	-	-	-	26,103,031	-	261.03
Corus IFMR Capital 2016	-	-	-	467,959	-	248.02
Vediovis IFMR Capital 2016	-	-	-	115,732,273	-	233.73
IFMR Capital Mosec Nile 2016	-	-	-	1,981,699	-	214.27
IFMR Capital Mosec Spes 2015	-	-	-	13,647	-	201.40
Kira IFMR Capital 2016	-	-	-	1,300,000	-	175.98
Anahita IFMR Capital 2014	-	-	-	113,455,224	-	19.23
Nepthys SBL IFMR Capital 2014	-	-	-	30,800,000	-	16.88
Hatten IFMR Capital 2016	-	-	-	101,508,037	-	12.48
		10,710.37	17,777.50		4,390.11	9,581.14
						13,971.25
			28,487.87			

Face value (In Lakhs)	As at 31 March 2018			As at 31 March 2017		
	Units	Non-current	Current	Units	Non-current	Current
C. Investments in Security receipts						
Phoenix Trust -FY18-12 (Face value: Rs 1,000/-)	1,700,000	17,000.00	-	-	-	-
		17,000.00				
			17,000.00			

	As at 31 March 2018			As at 31 March 2017				
	Units	Non-current	Current	Total	Units	Non-current	Current	Total
D. Investments in Funds								
IFMR FImpact Medium Term Microfinance Fund	1,930	2,000.00	-	2,000.00	1,930	2,000.00	-	2,000.00
IFMR FImpact Long Term Credit Fund	3,986	4,000.00	-	4,000.00	3,986	4,000.00	-	4,000.00
IFMR FImpact Medium Term Opportunities Fund	4,000	4,000.00	-	4,000.00	4,000	4,000.00	-	4,000.00
Total (A+B+C+D)		10,000.00		10,000.00		10,000.00		10,000.00
		87,343.70	26,058.49	113,402.19		56,304.43	21,898.52	78,202.95

Note 1: To the extent that the debentures are redeemable within 12 months of the reporting date, the amount has been presented as part of current investments. The balance has been presented as non-current investments. The tenure of these debentures ranges from 24 to 48 months. The interest rate on the investment in debentures ranges from 10.56% to 13.25% p.a.

Note 2: The investments in pass through certificates redeemable over the next 12 months from the balance sheet date have been classified as current investments. The balance amount has been presented as non-current investments.

Note 3: The investments in funds of INR 10,000 lakhs are redeemable on maturity and the interest rate ranges from 12.44% to 12.50%. The tenure of the investment ranges from is 3 to 10 years.

29 EMPLOYEE STOCK OPTION

INR In Lakhs

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.

During the current year, the Company has granted options to its employees under the ESOP Scheme in May 2017 and January 2018. The options granted entitle the employees to purchase equity shares at an exercise price of INR 75 and INR 110 per option as determined by the Nomination and Remuneration Committee for the options issued in May 2017 and January 2018 respectively.

Options to employees are usually granted with a four-year ratable 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
Grant date	26-Mar-14	10-Nov-16	23-May-17	29-Jan-18
At the end of one year of service from grant date	20%	20%	20%	20%
At the end of two years	20%	20%	20%	20%
At the end of three years	30%	30%	30%	30%
At the end of four years	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 31 Mar 2018	For the year ended 31 Mar 2017
Share based payment expense:		
Total expense recognised in ‘employee benefits’ (refer note 22)	84.21	137.67

Reconciliation of outstanding options

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

Particulars	Year ended 31 March 2018		Year ended 31 March 2017	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Outstanding at beginning of the year	1,761,000	45.88	2,304,000	15.53
Granted during the year	460,000	106.20	1,190,000	54.4
Forfeited during the year	335,000	49.00	-	-
Exercised during the year	367,500	35.97	1,733,000	11.38
Expired during the year	-	-	-	-
Outstanding at the end of the year	1,518,500	65.87	1,761,000	45.88

INR In Lakhs

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

Particulars	Year ended 31 March 2018			Year ended 31 March 2017		
	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	1,518,500	INR/- 27.95 to 110	1 – 4 years	1,761,000	INR/- 27.95 to 54.40	1 – 4 years

The Company measures the compensation cost relating to the stock option using the intrinsic value method. The compensation cost is amortised over the vesting period of the stock option. The Company has accounted for the Employee stock options granted as per 'The Guidance Note on Employee Share Based Payments', issued by The Institute of Chartered Accountants of India. Accordingly, the Company has amortised an amount of INR 84.21 towards stock compensation expense for the year ended 31 March 2018 (INR 137.67 for the year ended 31 March 2017).

Had the compensation cost for the options been recognised based on the fair value at the date of grant in accordance with Black Scholes' model, the proforma amounts of the Company's net profit and earnings per share would have been as follows:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Net profit as reported	20,656.41	16,953.68
Add: Employee compensation expense as per intrinsic value method	84.21	137.67
Less: Employee compensation expense as per fair value	(95.25)	(157.38)
Adjusted proforma net profit after tax	20,645.37	16,933.97
Basic EPS as reported	4.78	4.37
Basic EPS as proforma	4.78	4.37
Diluted EPS as reported	4.78	4.36
Diluted EPS as proforma	4.77	4.36

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

Grant date	26-Mar-14	10-Nov-16	23-May-17	29-Jan-18
Value of the share at the grant date	27.95	79	95	110
Exercise price	INR/- 10 to 37.95	INR/- 54.40	INR/- 75	INR/- 110
Expected volatility	0.00%	0.00%	0.00%	0.00%
Expected dividends	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate (based on government bonds)	8.00%	6.88%	7.08%	7.08%
Expected life	4 years	4 years	4 years	4 years

INR in Lakhs

30 EMPLOYEE BENEFIT – POST EMPLOYMENT BENEFIT PLAN

Gratuity benefit plan

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and amounts recognised in the balance sheet.

Particulars	31 March 2018	31 March 2017
Present value of obligations	239.58	169.57
Fair value of plan assets	206.41	115.23
Asset/ (Liability) recognised in the Balance Sheet	(33.17)	(54.34)
Classification into current and non-current:		
Current (refer note 7)	(29.25)	(48.36)
Non-current (refer note 7)	(3.92)	(5.98)

Movement in present values of defined benefit obligations

Particulars	31 March 2018	31 March 2017
Defined benefit obligation at the beginning of the year	169.57	139.27
Current service cost	62.85	63.95
Interest cost	11.14	11.31
Actuarial (gains) / losses	(0.65)	(44.96)
Benefits paid by the plan	(3.33)	-
Defined benefit obligation at the end of the year	239.58	169.57

Movement in fair value of plan assets

Particulars	31 March 2018	31 March 2017
Fair value of plan assets at the beginning of the year	115.23	107.81
Contributions paid into the plan	48.35	-
Benefits paid by the plan	(3.33)	-
Expected return on plan assets	9.75	7.42
Actuarial (losses) / gains	36.41	-
Fair value of plan assets at the end of the year	206.41	115.23

Expense recognised in the statement of profit or loss

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Current service cost	62.85	63.95
Interest on obligation	11.14	11.31
Expected return on plan assets	(9.75)	(7.42)
Net actuarial (gain)/ loss recognised in the year	(37.05)	(44.96)
Total	27.19	22.88

INR in Lakhs

Actuarial assumptions

Particulars	31 March 2018	31 March 2017
Discount rate	7.08%	6.88%
Estimated rate of return on plan assets	7.08%	6.88%
Attrition rate	25.00%	16.00%
Future salary increases	10.00%	12.00%
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

Gratuity	31-Mar-18	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14
Defined benefit obligation	239.58	169.57	139.27	107.12	56.76
Fair value of plan assets	206.41	115.23	107.81	60.75	43.39
Deficit in plan	33.17	54.34	31.46	46.37	13.37
Experience adjustments on plan liabilities	(33.17)	(44.96)	(23.40)	(2.23)	(2.83)
Experience adjustments on plan assets	-	-	(2.25)	(1.09)	(0.40)

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to INR 383.92 (previous year INR 312.19)

31 DISCLOSURE RELATING TO CERTAIN PROVISIONS / LOSS ON REPOSSESSED ASSETS

For the year ended 31 March 2018

Particulars	As at 1 April 2017	Provision during the year	Utilization/ Reversal	As at 31 March 2018
Provision for standard assets	3,596.63	2,055.44	118.04	5,534.03
Provision for non-performing assets	16,020.50	12,743.74	9,958.58	18,805.66

For the year ended 31 March 2017

Particulars	As at 1 April 2016	Provision during the year	Utilization/ Reversal	As at 31 March 2017
Provision for standard assets	2,252.86	1,467.17	123.4	3,596.63
Provision for non-performing assets	7,456.35	10,331.11	1,766.96	16,020.50

INR in Lakhs

a. Provision for standard assets

The Company recognizes contingency provision on standard assets as prescribed under the applicable Framework.

b. Provisions / write off:

- (i) For the year ended 31 March 2018, the provisions / write off includes adjustments amounting to INR 2,388 and INR 1,800 pertaining to previous years relating to provision towards non-performing assets and repossessed assets, respectively.
- (ii) Gross NPA and net NPA as at 31 March 2017 excludes a sum of INR 17,267 and INR 14,879 respectively, arising out of the adjustments referred to in note b(i) above. Further, ratios as at March 31, 2017 also exclude the impact of such adjustments.

32 SEGMENT REPORTING

The Company is engaged in the business of financing assets (mainly vehicles) and related activities. Further, the Company does not have any separate geographic segments other than India. There are no separate reportable segments as per AS 17 (Segment Reporting).

33 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31 Mar 2018	As at 31 Mar 2017
Claims against the Company not acknowledged as debts: Value added taxes [bank guarantee provided against the claim INR 69.59 (Previous Year : 69.59)]	58.51	58.51
Bank guarantee against securitisation transactions	4,552.00	3,124.00

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.

34 RELATED PARTY DISCLOSURES

Name of the related parties and nature of relationship

Holding company / Ultimate Holding Company	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Hinduja Housing Finance Limited ("HHF")
Associate company	<ul style="list-style-type: none"> • HLF Services Limited ("HSL")
Fellow subsidiary	<ul style="list-style-type: none"> • Hinduja Energy (India) Limited • Gulf Ashley Motors Limited
Key management personnel (KMP)	<ul style="list-style-type: none"> • Mr. S. Nagarajan, Executive Vice Chairman • Mr. Sachin Pillai, Chief Executive Officer

INR in Lakhs

Related party transactions

Nature of transaction	Holding company (ALL)	Associate (HSL)	Fellow subsidiary	KMP
Salaries and allowances (see note below)	-	-	-	471.19 (556.00)
Inter-corporate deposits /advances given	-	-	19,000.00* (25,000.00)	-
Repayments towards inter-corporate deposit / advances	-	-	19,500.00* (20,000.00)	-
Advance given (Gulf Ashley Motors Limited)	-	-	8,094.94 (9,517.25)	-
Repayments towards trade advance (Gulf Ashley Motors Limited)	-	-	10,433.78 (7,139.48)	-
Interest on loan to customers	- (19.38)	-	531.85 (583.56)	-
Purchase of services including tax:				
a. Service provider fee	-	7,795.64 (5,441.68)	-	-
b. Sourcing / marketing expenses	-	1,136.00 (454.07)	-	-
Income from other services	-	6,046.38 (3,187.48)	-	-
Number of equity shares allotted on exercise of options	-	-	-	60,000.00 (1,640,000.00)

* Transactions with Hinduja Energy (India) Limited

Year end balances

Particulars	Holding company (ALL)	Associate (HSL)	Fellow subsidiary	KMP
Amounts due from related parties as at end of the year	-	6,462.54 (5,531.13)	4538.93# (7,377.77)#	-

year-end balance of dealer trade advance receivable from Gulf Ashley Motors Limited INR 38.93 (Previous year INR 2,377.77) and outstanding Inter corporate deposits INR 4,500 (Previous year INR 5,000) from Hinduja Energy (India) Limited.

Figures in bracket represent previous year figures.

Note: Salaries and allowances include stock compensation expense of Nil (31 March 2017: INR 90). As the future liabilities of gratuity and compensated absence are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the key managerial person is not ascertainable separately and therefore not included above.

INR in Lakhs

35 OPERATING LEASES AS A LESSEE

The Company has taken a number of branch offices under operating leases. These leases typically run for a period of 3 years with an option to renew after this period. Lease payments are generally increased every year. These leases are cancellable. The rental expense under cancellable lease arrangements is INR 1,082.46 (31 March 2016: INR 714.03).

36 CORPORATE SOCIAL RESPONSIBILITY (“CSR”) EXPENDITURE

During the year, the Company has incurred an amount of INR 50 towards corporate social responsibility expenditure. Such expenditure has been classified under the following head under other expenses (refer note 25).

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Other expenses – For purposes other than construction / acquisition of any asset	50.00	110.00

37 DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

The disclosures regarding details of specified bank notes held and transacted during the current year has not been made since the requirement does not pertain to financial year ended 31 March 2018. However, corresponding details of SBN for the period from 8 November 2016 to 30 December 2016 as appearing in the audited financial statements for the year ended 31 March 2017 have been disclosed below.

During the previous year ended 31 March 2017, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016. The denomination wise SBNs and other notes as per the notification are given below

Details of Specified Bank Notes (SBN) held and transacted during the period 08 November 2016 to 30 December 2016

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on November 8, 2016#	1,378.10	45.33	1,423.43
Add : Permitted receipts **	1,320.59	11,276.41	12,597.00
Less : Permitted payments	-	-	-
Less : Amount deposited in banks	2,698.69	10,160.16	12,858.85
Closing cash in hand as on December 30, 2016#	-	1,161.58	1,161.58

Based on the daily cash register and petty cash summary statement maintained across the branches.

INR in Lakhs

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

** Includes direct cash deposits made by the customers in Company's bank accounts vide RBI Circular No. DCM (Plg) No. 1226/10.27.00/2016-17 dated 08 November 2016 under Section 3(c)(v). Also includes withdrawal from bank.

38 UTILISATION OF THE PROCEEDS OF RIGHTS ISSUE

During the current year, the company raised a sum of INR 45,105.38 through a rights issue of equity shares to fund the business of lending loans to customers. The proceeds have been utilised as follows:

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Proceeds from rights issue	45,105.38	25,046.40
Utilisation during the year – Loan to customers	(45,105.38)	(25,046.40)
Un-utilised amount at the end of the year	-	-

39 EXPENDITURE IN FOREIGN CURRENCY

	Year ended 31 March 2018	Year ended 31 March 2017
Legal and professional charges	10.81	66.92

40 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

Particulars	31 March 2018		31 March 2017	
	%	Amount	%	Amount
Parent Hinduja Leyland Finance Limited	93.52%	201,323.49	93.74%	130,682.28
Subsidiary Hinduja Housing Finance Limited	6.42%	13,820.57	6.20%	9,351.35
Associate HLF Services Limited	0.06%	135.13	0.06%	93.55
Total	100.00%	215,279.19	100.00%	140,127.18

INR in Lakhs

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

Particulars	31 March 2018		31 March 2017	
	%	Amount	%	Amount
Parent Hinduja Leyland Finance Limited	91.90%	18,983.62	98.82%	16,752.82
Subsidiary Hinduja Housing Finance Limited	7.90%	1,631.21	1.07%	182.82
Associate HLF Services Limited	0.20%	41.58	0.11%	18.04
Total	100.00%	20,656.41	100.00%	16,953.68

41 Transfer pricing

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

42 Previous year balances

Previous year balances have been regrouped wherever necessary to conform to current year's presentation.

As per our report of even date
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's registration number: 101248W/ W-100022

Ashish Gupta
Partner
Membership No: 215165

Place : Chennai
Date : 16th May, 2018

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

Dheeraj G Hinduja
Chairman
DIN No : 00133410

Kishore Kumar Lodha
Chief Financial Officer

Place : Chennai
Date : 16th May, 2018

S Nagarajan
Executive Vice Chairman
DIN No : 00009236

B Shanmugasundaram
Company Secretary

National Network of Business Locations



BUSINESS HUBS

ANDHRA PRADESH * Akola * Ambikapur * Amravati * Bhopal * Bilaspur * Butibori * Chandrapur * Chittoor * Dewas * Eluru * Gondia * Gudivada * Guntur * Gwalior * Indore * Jabalpur * Jagdalpur * Khammam * Kodad * Korba * Nagpur * Nellore * Ongole * Raigarh * Raipur * Rajahmundry * Rewa * Sehere * Tadepalligudem * Tirupathi * Vijayawada * Visakhapatnam * Vizag * Wardha

DELHI AND HARYANA * Durgapur * Faridabad * Ghaziabad * Gurgaon * Guwahati * Hissar * Jamshedpur * Kharagpur * Kolkata * Muzaffarpur * Patna * Purnea * Rohtak * Siliguri

GUJARAT * Ahmedabad * Anand East * Bardoli * Baroda * Bharuch * Dabhoi * Dahod * Dakor * Dhrol * Dindoli * Gandhinagar * Godhara * Jamnagar * Junagadh * Kalol * Makarpura * Mehsana * Morbi * Nadiad * Navsari * Old Padra Road * Olpad * Palanpur * Rajkot * Surat * Udhna * Valsad * Vapi * Varachha

KARNATAKA * Bangalore * Belgaum * Bidar * Bijapur * Davanagere * Haveri * Hubli * Kolar * Mangalore * Mysore * Raichur * Shimoga * Tumkur

KERALA * Alappuzha * Calicut * Cochin * Kannur * Kasaragod * Kollam * Kottayam * Malappuram * Palakkad * Pathnamthitta



BUSINESS HUBS (Contd...)

* Thrissur * Trivandrum * **MAHARASHTRA** * Aurangabad * Bhoisar * Dhule * Hadapsar * Jalgaon * Jalna * Kolhapur * Latur * Mumbai * Nanded * Nashik * Pune * Shivajinagar * Solapur * South Mumbai * Swargate * Thane * Waluj * **ORISSA** * Angul * Balasore * Berhampur * Bhubaneswar * Cuttack * Jeypore * Sambalpur * **PUNJAB** * Bilaspur Hp * Chandigarh * Jalandhar * Ludhiana * Mandi * Nalagarh * **RAJASTHAN** * Bhilwara * Bikaner * Jaipur * Jhunjunu * Jodhpur * New Jaipur * Udaipur * **TAMILNADU** * Chennai * Coimbatore * Karur * Madurai * Pondicherry * Pudukkottai * Salem * Thanjavur * Tirunelveli * Trichy * Vellore * **TELANGANA** * Adilabad * Anantapur * Anantpur * Boipally * Boyenpally * Cuddapah * Hyderabad * Karimnagar * Kukatpally * Kurnool * L B Nagar * Mahabubnagar * Nandayal * Nizamabad * Rayalaseema * Sangareddy * Sangaredy * Vijayawada * Warangal * **UTHRAKAND** * Allahabad * Dehradun * **UTTAR PRADESH** * Bareilly * Faizabad * Hardoi * Jhansi * Kanpur * Lucknow * Mirzapur * Sultanpur * Varanasi

BUSINESS LOCATIONS

ANDHRA PRADESH * aarang * Akaltara * Amarwara * Ambikapur * Amgaon * Anakapalli * Anuppur * Baitul * Bakawand * Balaghat * Baloda Bazar * Balrampur * Baradwar * Barela * Bareli * Bemetara * Berasia * Bhadravati * Bhandara * Bhanpuri * Bhatapara * Bhilai * Bhimadole * Bidhni * Bilaspur-Cg * Bina * Birgaon * Birra * Bishrampur * 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 * Kharagone * 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 * Pithampur * 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 * Brahmipur * 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 * Hooghly * Howrah * Howrah * Jahanabad * Jamshedpur * Jamui * Janak Puri * Jhajjar * Jhanjarpur * Jind * Jorhat * Karnal * Karol Bagh * Katihar * Khagaria * Khandsa * Kharagpur * Khunti * Kishanganj * Kodarma * Kolkata * Krishna * Krishnagar * Lajpat Nagar * Lakhisarai * Lalganj * Latehar * 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 * Sahara * 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 * Bhadrashwar * 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 * Devgad Baria * Dhandhuka * Dhanera * Dhansura * Dharampur *



BUSINESS LOCATIONS (Contd...)

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 * Kapadwanj * 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 * Mahemdbad * Mahendra Nagar * Mahesana * Mahidha * Mahua * Mahuda * Makansar * Makarpura * Maliya Miyana * Maliyasan * Mandal * Mandvi * Mangrol * Mangrol * Maninagar * Maninagar * Manjalpur * Mansa * Matar * Matar * Mehana * 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 * Shapur * Siddhapur * Sikka * Silvassa * Singanpore * Sojitra * Sola * Surat * Surat Main * Surendranagar * Talaja * Tanakhala * Tandalja * Tankara * Tarapur * Tarapur * Tarsali * Thalfej * Tharad * Thasra * U M Road * Udhna * Umargam * Umargam * Umargam * Umreth * Unjha * Unjha And Sidhpur * Upleta * V V Nagar * Vadagam * Vadnagar * Vaghodia * Vagra * Valatava * Valod * Valsad * Vankiya * Vansada * Vapi * Varachha * Vasad * Ved Road * Vejalpur * Veraval * Vihar * Vijapur * Vinchhiya * Viramgam * Virpur * Visavadar * Visnagar * Vyara * Wadi * Waghodia Road * Wankaner * Yagnik Road * Zagadiya * Zankhva

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 * Gulbarga * Gundlupet * Gurupura * Guttal * H B Halli * Hampankatta * Hangal * Harapanahalli * Harihar * Hassan * Haveri * Hdokote * 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 Gangothi * 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 * Udipi * Ullal * Uppinangady * Vijapur * Vijapur * 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 * Irinjalkuda * Iritty * Kadaikkal * Kakkanad * Kanhangad * Kanjirapally * Kannur * Karukachal * Karunagapally * Kasaragod * Kattakada * Kayamkulam * Kazhakkuttam * Kodungallur * Kollam * Kondotty * Konni * Koothattukulam * Kottakkal * Kottarakkara * Kottayam * Koyilandy * Kozencherry * Kundara * Kunnankulam * 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



BUSINESS LOCATIONS (Contd...)

* 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 * Palghar * 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 * Muksar * 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 * Sujargarh * Sumerpur * Suratgarh * Swai Madhopur * Tonk * Transport Nagar Jaipur * Udaipur

TAMILNADU * Aavudiyar Kovil * Adyar * Alanganallur * Alangayam * Alangudi * Alankulam * Ambasamudram * Ambattur * Ambur * Ammapet * Andipattai * Anna Nagar * Anna Salai * Annanagar * Annur * Arakonam * Aranthangi * Aravakurichi * Ariyalar * Arni * Arupukottai * 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 * Nagercoil * 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 * Suler * 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 * Vanadalar * 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 *



BUSINESS LOCATIONS (Contd..)

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 * Mahubabad * Malkajiri * 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 * Proddutur * 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 * Thorur * 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 * Shankargarh * Siddharthnagar * Sitapur * Sonebhadra * Sulthanpur * Unchahar * Unnao * Varanasi *

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