

HINDUSTAN AUTO FINANCE LIMITED

Regd. Add.: Cabin No. DA-8, 2nd Floor, Vikas Marg, Shakarpur, New Delhi - 110092

E-Mail: hindaf1980@gmail.com, CIN: L65910DL1980PLC010617

Website: www.hindaf.in

CORPORATE INFORMATION

BOARD OF DIRECTORS

- | | |
|--------------------------|---------------------------------------------------------|
| 1. Mr. Subhash Sapra | Managing Director |
| 2. Mrs. Neera Sapra | Director & Chief Financial Officer |
| 3. Mrs. Mithlesh | Independent Director |
| 4. Mr. Man Singh Tosaria | Independent Director (Appointed w.e.f. August 24, 2018) |
| 5. Mr. Sudhir Jain | Independent Director (Appointed w.e.f. August 24, 2018) |

KEY MANAGERIAL PERSONNEL

- | | |
|------------------|-------------------------|
| 1. Subhash Sapra | Managing Director |
| 2. Neera Sapra | Chief Financial Officer |

STATUTORY AUDITOR

Luthra & Associates,
Chartered Accountants
K-14, Lajpat Nagar-3, New Delhi-110024

SECRETARIAL AUDITOR

M/s Anju Bansal & Associates,
Company Secretaries
B-299, Ganga Sagar, Ganga Nagar, Meerut,
Uttar Pradesh-250001

INTERNAL AUDITOR

M/s Ankit Satya & Associates,
Chartered Accountants
D-88, Sector-30, Noida-201303

REGISTRAR & SHARE TRANSFER AGENT

Beetal Financial and Computer Services Private Limited
Beetal House, 3rd Floor, 99, Madangir, Behind, Local Shopping Centre,
Near Dada, Harsukhdas Mandir, New Delhi- 110062

REGISTERED OFFICE

Cabin No. DA-8, 2nd Floor, Vikas Marg, Shakarpur, New Delhi, 110092.

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SHARES LISTED AT:

Metropolitan Stock Exchange of India

BANKERS TO THE COMPANY

Bank of Baroda, Ganga Nagar, Meerut.

BOARD COMMITTEES

AUDIT COMMITTEE

Mrs. Mithlesh

Chairperson

Mr. Man Singh Tosaria

Member

Mr. Sudhir Jain

Member

NOMINATION AND REMUNERATION COMMITTEE

Mrs. Mithlesh

Chairperson

Mr. Man Singh Tosaria

Member

Mr. Sudhir Jain

Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mrs. Mithlesh

Chairperson

Mr. Man Singh Tosaria

Member

Mr. Sudhir Jain

Member

WEBSITE

www.hindaf.in

CONTACT DETAILS

hindaf1980@gmail.com

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NOTICE

NOTICE is hereby given that the 39th Annual General Meeting of the members of M/s Hindustan Auto Finance Limited will be held on Friday, 14th Day of April, 2023 at 11:00 a.m. at the registered office of the Company situated at Cabin No. DA-8, 2nd Floor, Vikas Marg, Shakarpur, New Delhi, 110092 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31st March, 2019 together with the reports of the Auditors' and Directors' thereon.
2. To appoint Mrs. Neera Sapra (DIN: 00241941), Director who retires by rotation and being eligible offers herself for reappointment.
3. To appoint M/s Luthra & Associates, (Firm Registration No. 031997N), Chartered Accountants, as the Statutory Auditors of the Company

“RESOLVED THAT pursuant to the provisions of Section 139(2) and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Luthra & Associates, Chartered Accountants (Firm Registration No. 031997N) be and is hereby appointed as Statutory Auditor of the Company to hold office for a period of five years from the conclusion of this Annual General meeting till the conclusion of the Annual General Meeting to be held in year 2024 at such remuneration plus taxes as applicable and reimbursement of out of pocket, travelling expenses etc. incurred in connection with the audit as may be decided by the Board of Directors/Audit Committee of the Company.

SPECIAL BUSINESS:

4. Continuation of Mr. Subhash Sapra (00241940) as a Managing Director of the Company upon attaining age of Seventy years.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), applicable provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, consent of the members of the Company be and is hereby accorded for the continuation of the appointment of Mr. Subhash Sapra as a Managing Director designated as Chairman of the Company on attaining the age of 70 years on 21st December, 2019, on the terms and conditions as set out in the

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explanatory statement annexed to the notice convening this Annual General Meeting with a liberty to the Board of Directors (including Committee) to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit as may be acceptable to Mr. Subhash Sapra subject to the same not exceeding the limits specified under Section 197 and Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT save and except as aforesaid, the Special Resolution approved and passed by the members in the Annual General Meeting dated September 30, 2015 with respect to the appointment of Mr. Subhash Sapra as Managing Director shall continue to remain in full force and effect.

RESOLVED FURTHER THAT wherein in any financial year during the currency of his tenure, the Company has no profit or its profits are inadequate, the remuneration payable to Mr. Subhash Sapra, Managing Director by way of Salary, perquisite and allowances shall not exceed the maximum remuneration payable in accordance with Schedule V of the Companies Act, 2013 and subject to the approval of Central Government, if so required with liberty to the Board/Committee to decide the breakup of remuneration from time to time in consultation with Mr. Subhash Sapra, Managing Director.

RESOLVED FURTHER THAT Mrs Neera Sapra (DIN: 00241941), Director of the Company be and is hereby authorized to do all such acts, matters, deeds and things as may be necessary or desirable in connection with or incidental to give effect to the above resolution, including but not limited to filing of necessary forms with relevant statutory bodies and to comply with all other requirements in this regard.”

**For and on Behalf of the Board of Directors
Hindustan Auto Finance Limited**

Sd/-
Subhash Sapra
(Managing Director)
DIN: 00241940

Date: 07.03.2023

Place: New Delhi

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NOTES:

1. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business(es) to be transacted at the Meeting is annexed hereto.
2. **A MEMBER WHO IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ONLY AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, PROXY FORMS DULY COMPLETED IN ALL RESPECTS SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON(S) OR SHAREHOLDER(S).**
3. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Relevant documents as referred to in the accompanying Notice along with the Statements are open for inspection by members at Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Annual General Meeting.
5. Brief details of Directors seeking appointment/re-appointment at the Annual General Meeting along with details of their other directorship, shareholding in the Company, expertise in specific functional area pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by ICSI forms part of this notice and is annexed hereto as Annexure-I.
6. Members who have not registered their email address so far are requested to register their email for receiving all communication including Annual Report, Notices and Circulars etc from Company electronically. Members can do this by updating their email addresses with their depository participants.
7. Members may note that Notice of 39th Annual General Meeting and Annual Report will also be available on the website of the Company's website www.hindaf.in for their download.

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8. Members holding shares in physical form are requested to consider converting their holding to dematerialized form as required under the amended SEBI guidelines and regulations to eliminate all risks associated with physical shares and for ease in portfolio management. Members may contact the Company or its Registrar & Share Transfer Agent (RTA), for assistance in this regard.
9. The members who are holding shares in physical form are requested to intimate any change in their address with pin code immediately either to the Company or to its Registrar & Share Transfer Agent (RTA) promptly.

The members who are holding shares in de-mat form are requested to intimate any change in their address with pin code immediately to their Depository Participants.

10. The Notice of AGM and along with Annual Reports 2018-19 is being sent through Speed/Registered post/e-mail. Members may note this Notice and the Annual Report 2018-19 will also be available on the Company's website viz. www.hindaf.in.
11. The shares of the Company are listed on Metropolitan Stock Exchange of India.
12. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the member at the Annual General Meeting.
13. The Register of Directors or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
14. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books will remain closed from Tuesday, April 08, 2023 to Thursday, April 14, 2023. (both days inclusive).
15. Voting rights shall be reckoned on the paid-up value of shares registered in the name of member/beneficial owner as on cut-off date i.e. Friday, 07th April, 2023.
16. The Board of Directors of the company has appointed Mrs. Anju Bansal, Company Secretaries (C. P. No. 17594), as Scrutinizer for conducting the voting process for the Annual General Meeting in a fair and transparent manner.

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17. The Scrutinizer shall immediately after the conclusion of voting at AGM, first count the votes cast during the AGM, thereafter unblock the votes cast during AGM and make not later than 48 hours of conclusion of AGM a “Scrutinizer’s Report” of the total votes cast in favour or against, if any, to the chairman or a person authorized by him in writing, who shall countersign the same. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the General Meeting.
18. The results declared along with the scrutinizer’s report shall be forwarded to Metropolitan Stock Exchange of India Limited within 48 hours of the conclusion of Annual General Meeting and shall be uploaded on the website of the Company.
19. No gifts, gift coupons, or cash in lieu of gifts shall be distributed to members at or in connection with the general meeting.
20. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their depository participants with whom they are maintaining their demat account. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, shall only be entitled to avail the facility of Poll.
21. Instructions for remote e-voting are as below:

In terms of the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called ‘the Rules’ for the purpose of this section of the Notice) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice of Annual General Meeting (AGM) through electronic voting system, to members holding shares as on Friday, 07th April, 2023 (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by NSDL or to vote at the AGM.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 11th April 2023 at 09.00 AM and ends on 13th April 2023 at 05.00 PM. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 07th April, 2013 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on “Shareholders” module.
- (v) Now enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- OR

Alternatively, if you are registered for CDSL’s **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from [Login - MyEasi](#) using your login credentials. Once you successfully log-in to CDSL’s **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

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Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
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- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

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- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- (xx) **Note for Non – Individual Shareholders and Custodians –Remote Voting**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; hindaf1980@gmail.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

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All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

**For & on behalf of the Board of Directors
Hindustan Auto Finance Limited**

Sd/-
Subhash Sapra
(Managing Director)
DIN:00241940

Date: 07.03.2023
Place: New Delhi

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014

ITEM NO. 3:

M/s Ravi Chopra and Associates, Chartered Accountants have tendered their resignation from the position of Statutory Auditors due to preoccupations resulting into a casual vacancy in the office of Statutory Auditors.

Based on the recommendations of Audit Committee, the Board of Directors in their meeting held on 13.08.2019 appointed M/s Luthra & Associates, Chartered Accountants as Statutory Auditors of the Company to fulfil the casual vacancy caused by the resignation of M/s Ravi Chopra and Associates. The tenure of M/s Luthra & Associates is up to the ensuing Annual General Meeting ('AGM'). The Board has recommended their appointment for a period of five years from the conclusion of this AGM till the conclusion of AGM to be held in 2024. M/s Luthra & Associates, had given their consent for appointment as Statutory Auditor of the Company and has issued certificate their appointment, if made will be within limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder. M/s Luthra & Associates have confirmed that they are eligible for proposed appointment under the Act, the Chartered Accountants Act, 1949 and rules or regulations made thereunder. The Board of Directors have approved remuneration of Rs. 12,500 for conducting the audit for the financial year 2019-20. There is no change in remuneration of Auditor proposed to be appointed. The Board of Directors in consultation with Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

The Board recommends the resolution set out at Item No. 3 for approval by the members by way of Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise in the resolution.

ITEM NO. 4

The shareholders of the Company at 35th Annual General Meeting held on Wednesday, 30th September, 2015 approved re-appointment of Mr. Subhash Sapra (DIN: 00241940) as a Managing Director of the Company for a period of five years effective from March 30, 2015 to March 29, 2020 through a Special Resolution under the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and rules made there under (including statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013 and Articles of Association of the Company. Mr. Subhash Sapra, Managing Director has reached the age of 70 years as on 21st December, 2019. The Company seeks the consent of the members by

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way of special resolution for continuation of their holding of existing office after the age of 70 years during the currency of his term of appointment under the provisions of Section 196 of the Companies Act, 2013. He will be entitled to remuneration of Rs. 10,000 p.a. on continuation of his appointment. The Board recommend the Special Resolution for your approval.

Mr. Subhas Sapra is a graduate. He is a promoter Director of the Company and has experience of about fifty years in the management of business and finance. The Board is of the view that his continued association would benefit the Company, given the knowledge experience and performance of Mr. Subhash Sapra and contribution to Board process by him. In the opinion of the Board, Mr. Subhash Sapra fulfils the conditions specified in the Act, the Rules thereunder and the Listing Regulations, 2015 for the appointment as a Managing Director.

The details required under Regulation 36(3) of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 are given as **Annexure-I** to the Notice.

None of the Directors, Key Managerial Personnel or their relatives except Mrs. Neera Sapra and Mr. Subhash Sapra, to whom the resolution relates and other promoter shareholders being relatives of these persons are concerned or interested, financially or otherwise in the resolution set out at Item No. 4

Statement containing Additional Information as required in Schedule V of the Companies Act, 2013- Mr. Subhash Sapra

I. General Information

1.	Nature of Industry	The Company is engaged in business of finance, lending, hire purchase etc.
2.	Date or expected date of commencement of commercial production	The Company is not carrying out commercial production. It is carrying business of finance, lending since 1980.
3.	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4.	Financial Performance based on given indicators	In Financial year 2018-19, Company had a turnover of Rs. 3,39,442/- and profit before tax of Rs.6,295/-
5.	Foreign Investments or Collaborations, if any	Not Applicable

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II. Information about the Appointee:

1.	Background Details	He joined the Company as a Managing Director w.e.f. 15.06.2005. He is a graduate. He has experience of fifty years in finance and business management.
2.	Past Remuneration	Rs. 10,000 p.a.
3.	Recognition or Awards	-
4.	Job Profile and his sustainability	Described in Explanatory Statement.
5.	Remuneration proposed	Rs. 10,000 p.a.
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The proposed remuneration is not commensurate with Industry Standards and Board level positions held in similar sized and similarly positioned businesses.
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with managerial personnel, if any.	He holds 4,50,500 equity shares of the Company. He gets remuneration of Rs. 10,000 p.a. He is the Husband of Mrs. Neera Sapra, Director and Chief Financial Officer of the Company.

III. Other Information

1.	Reasons of loss or inadequate profits	The Company is not earning revenue from its core business activities as it is not having customers and its assets have turned Non-performing Assets.
2.	Steps taken or proposed to be taken for improvement	The Company is searching for better prospects.
3.	Expected increase in productivity and profits in measurable terms.	Not Applicable

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ANNEXURE-I

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2

Name	Mrs. Neera Sapra	Subhash Sapra
Director Identification Number (DIN)	00241941	00241940
D.O.B.	27/07/1955	21/12/1948
Qualification	Graduate	Graduate
Expertise in specific area	She has expertise in administering the business operations of Company	He has expertise in Finance Business and Business Management
Date of First appointment on the Board of the Company	01/01/1999	08/07/1980
No. of Equity Shares held as on 31st March, 2019	336700	450500
Remuneration last drawn by such person, if any	Rs. 42,000 p.a.	Rs.10,000/- p.a.
Terms and Conditions of Appointment	She was appointed as Director w.e.f. 01.01.1999	He was appointed as a Managing Director w.e.f. 30.03.2015
List of Directorship held in other listed	Nil	Nil

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companies		
Names of Listed Entities in which the person is Chairman/Member of Committees of the Board	Nil	Nil
Relationship with Directors and KMP's	She is wife of Mr. Subhash Sapra, Managing Director.	He is Husband of Mrs. Neera Sapra, Chief Financial Officer & Director of the Company.

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DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present to the valued stakeholders, the 39th Annual Report of M/s Hindustan Auto Finance Limited along with the Audited Financial Statements of the Company for the Year ended March 31st, 2019.

FINANCIAL HIGHLIGHTS- AT A GLANCE

➤ Overall Performance of your Company

- The Financial Year 2018-19 had been a little slow for the Company as your Company has shown a moderate performance during the year under review. The net profit of your Company had reduced from Rs.9,051/- for FY 2017-18 to Rs. 6,295/- for FY 2018-19.

➤ The financial summary, performance highlights operations/state of affair of your Company for the year are summarized below:

Amount (Rs. In Lakhs)

PARTICULARS	Standalone	
	2018-19	2017-18
Income from Business Operations	3.39	4.31
Other Income	-	-
Total Income	3.39	4.31
Less: Expenditure except Depreciation	3.29	4.17
Profit/Loss before Interest, Depreciation and Tax	0.10	0.15
Less: Interest and other Financial Charge(s)	-	-
Profit/Loss before Depreciation and Tax	0.10	0.15
Less: Depreciation	0.01	0.02
Profit/Loss before Tax	0.09	0.13
Less: Tax Expense	0.03	0.04
Add: Deferred Tax Asset	-	-
Net Profit/Loss after Tax	0.06	0.09

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Earnings per share:Basic		
Diluted	0.0018	0.0026
	0.0018	0.0026

DIVIDEND

To conserve the financial resources, the company has not recommended any dividend in the financial year ended March 31, 2019.

CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business during the year under review.

RESERVES

The Board proposes to transfer the entire amount of Rs. 6295/- to the reserves & surplus account.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend declared or paid by the Company, the provisions of Section 125 of the Companies Act, 2013 do not apply.

DEPOSITS

During the year under review, the Company has not accepted any deposits in terms of section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014. There were no deposits which remained unpaid or unclaimed by the Company as on March 31, 2022.

SHARE CAPITAL

Authorised Share Capital:

During the year under review, there was no change in Authorized Share capital of the Company.

Issued, Subscribed & Paid-up Capital:

During the year under review, there was no change in Issued, Subscribed and Paid-up Capital of the Company.

EXTRACT OF ANNUAL RETURN

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The details forming part of extract of Annual Return as per Section 92(3) of the Companies Act, 2013 in Form MGT-9 is annexed herewith as **Annexure-A**.

SUBSIDIARY / ASSOCIATE/ JOINT VENTURES COMPANIES OF THE COMPANY

The Company does not have any Subsidiary Company/ Joint Venture/ Associate Companies during the financial year 2018-19.

DIRECTORS /KEY MANAGERIAL PERSONNEL DURING THE YEAR

Constitution of the Board:

As on 31st March, 2019, the Board comprises following directors:

Name of Director	Category cum Designation	Date of Appointment at current term & designation	Total Directorship ¹	No. of Committee ²		No. of Shares held as on March 31, 2019
				In which Director is member	In which Director is Chairman	
Mr. Subhash Sapra	Managing Director	15/06/2005	1	0	0	450500
Mrs. Neera Sapra	Director	30/03/2015	1	0	0	336700
Mrs. Mithlesh	Director	14/02/2017	3	2	2	-
Mr. Man Singh Tosaria	Director	24/08/2018	1	2	0	-
Mr. Sudhir Jain	Director	24/08/2018	1	2	0	-

¹ Excluding LLPs, Section 8 Company & Struck off Companies

² Committee includes Audit Committee and Stakeholders Relationship Committees across all Public Companies.

The Board of Directors of the Company has optimum combination of executive and non-executive directors including independent directors and women director in compliance with applicable provisions of this Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DIRECTORS

There was no change in the Directorship or Board of Directors of the Company during the year except following:

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- 1) During the financial year 2018-19, based on the recommendations of Nomination and Remuneration Committee, the Board of Directors in their meeting held on 24th August, 2018 appointed Mr. Man Singh Tosaria, an Additional Director (Independent Category) w.e.f. 24.08.2018 and his appointment was regularized as an Independent Director by the shareholder in the Annual General Meeting held on 29th September, 2018.
- 2) During the financial year 2018-19, based on the recommendations of Nomination and Remuneration Committee, the Board of Directors in their meeting held on 24th August, 2018 appointed Mr. Sudhir Jain, was appointed as an Additional Director (Independent Category) by the Board of Directors w.e.f. 24.08.2018. and his appointment was regularized by the shareholders as an Independent Director in the Annual General Meeting held on 29th September, 2018.

Directors retire by Rotation

Pursuant to Section 152 of the Companies Act, 2013 and in accordance with Articles of Association of the Company. Mrs. Neera Sapra, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. The Board of Directors recommends her appointment.

The relevant details as required under Reg. 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by Institute of Company Secretaries of India of the person seeking appointment/re-appointment as Director is annexed to the Notice convening the Thirty-Nine Annual General Meeting.

Key Managerial Personnel

During the financial year 2018-19, there were no changes in Key Managerial Personnel.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF COMPANIES ACT, 2013

All Independent Directors have given declarations under section 149(7) that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and that they qualify to be Independent Directors pursuant to Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. They have also confirmed that they meet the criteria for the requirements of Independent Director as mentioned under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, the Independent Directors have confirmed that they are not aware of any circumstances, situation which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

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The Board is of the opinion that the Independent Directors on the board of the Company possess requisite qualifications, experience and expertise and that they hold highest standards of integrity and are independent of management.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 7 (Seven) times during the financial year ended 31st March, 2019 in accordance with the provisions of Companies Act, 2013 and rules made thereunder. The intervening gap between two board meetings was within the period as prescribed under the Companies Act, 2013, Secretarial Standrad-1 and SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015. The requisite quorum was present at all the meetings and continued valuable inputs on the matters brought before the Board of Directors from time to time.

Date of Board Meetings i.e. 03.04.2018, 28.05.2018, 11.08.2018, 21.08.2018, 24.08.2018, 12.11.2018, and 14.02.2019.

The details of attendance of Directors at the Board Meeting are as under:

S.No.	Name of Directors	No. of Board Meetings	
		Held	Attended
1.	Subhash Sapra	7	7
2.	Neera Sapra	7	7
3.	Mithlesh	7	7
4.	Man Singh Tosaria	2	2
5.	Sudhir Jain	2	2

COMMITTEES OF THE BOARD

The Board Committees play vital role in strengthening the Corporate Governance practices of the Company and focus effectively on the issues and expedient resolution of the diverse matters. The Committee also make specific recommendations to the Board on various matters as and when required. All observations, recommendations and decisions of the Committee were placed before the Board for information, noting and approval.

As on March 31, 2019, the following committees have been constituted in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

AUDIT COMMITTEE

Your Company has constituted Audit Committee in compliance with provisions of Section 177 of the Companies Act, 2013 & Regulation 18 of the SEBI Listing Regulations.

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A. Meetings during the year

During the year, the Audit Committee of the Company met 4 (four) times viz. 28.05.2018, 11.08.2018, 12.11.2018 and 14.02.2019.

B. Composition and Attendance of Audit Committee as on March 31, 2019

The Composition of the Audit Committee of the Board of the Company along with details of the meetings held and attended during the financial year 2018-19 are detailed below:

S. No.	Name	Designation	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Mithlesh	Chairperson	Independent Director	4	4
2.	Neera Sapra*	Member	Director	2	2
3.	Subhash Sapra**	Member	Managing Director	2	2
4.	Man Singh Tosaria#	Member	Independent Director	2	2
5.	Sudhir Jain##	Member	Independent Director	2	2

*Mrs. Neera Sapra ceased to member of Audit Committee w.e.f. 24.08.2018.

**Mr. Subhash Sapra ceased to be member of Audit Committee w.e.f. 24.08.2018.

Mr. Man Singh Tosaria was appointed as an Additional (Independent) Director and member of Audit Committee w.e.f. 24.08.2018.

Mr. Sudhir Jain was appointed as an Additional (Independent) Director and member of Audit Committee w.e.f. 24.08.2018.

NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee of the Company has been constituted in compliance with provisions of Section 178(1) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

A. Meetings during the year

During the year under review, Committee members met once on 24.08.2018.

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B. Composition and Attendance of Nomination and Remuneration Committee as on March 31, 2019.

The Composition of the Nomination and Remuneration Committee of the Board of the Company along with details of the meetings held and attended during the financial year 2018-19 are detailed below:

S. No.	Name	Category	Designation	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Mithlesh	Independent Director	Chairperson	1	1
2.	Subhash Sapra [#]	Managing Director	Member	1	1
3.	Neera Sapra ^{##}	Director	Member	1	1
4.	Man Singh Tosaria [*]	Independent Director	Member	0	0
5.	Sudhir Jain ^{**}	Independent Director	Member	0	0

[#] Mr. Subhash Sapra ceased to be member of Nomination and Remuneration Committee w.e.f. 24.08.2018.

^{##} Mrs. Neera Sapra ceased to be member of Nomination and Remuneration Committee w.e.f. 24.08.2018.

^{*} Mr. Man Singh Tosaria was appointed as a member of Nomination & Remuneration Committee w.e.f. 24.08.2018.

^{**} Mr. Sudhir Jain was appointed as a member of Nomination & Remuneration Committee w.e.f. 24.08.2018.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Your Company has constituted Stakeholders' Relationship Committee in compliance with provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

A. Meetings during the year

During the year under review, the Stakeholders Relationship Committee of the Company met 4 (four) times on 28.05.2018, 11.08.2018, 12.11.2018 and 14.02.2019.

B. Composition and Attendance of Stakeholders Relationship Committee as on March 31, 2019.

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The Composition of the Stakeholders Relationship Committee of the Board of the Company along with details of the meetings held and attended during the financial year 2018-19 are detailed below:

S. No.	Name	Designation	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Mithlesh	Chairperson	Independent Director	4	4
2.	Neera Sapra*	Member	Director	2	2
3.	Subhash Sapra**	Member	Managing Director	2	2
4.	Man Singh Tosaria#	Member	Independent Director	2	2
5.	Sudhir Jain##	Member	Independent Director	2	2

*Mrs. Neera Sapra ceased to be member of Stakeholders Relationship Committee w.e.f. 24.08.2018.

** Mr. Subhash Sapra ceased to be member of Stakeholders Relationship Committee w.e.f. 24.08.2018.

Mr. Man Singh Tosaria was appointed as a member of Stakeholders Relationship Committee w.e.f. 24.08.2018.

Mr. Sudhir Jain was appointed as a member of Stakeholders Relationship Committee w.e.f. 24.08.2018.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to the provisions of section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015, the Company has adopted a Vigil Mechanism/Whistle Blower Policy for securing/reporting/deterring/punishing/rectifying any unethical, unlawful acts, behaviour, leak/suspected leak of Unpublished Price Sensitive Information etc and to address the bona fide concern of malpractice, deviation from the policies of the Company internally in an effective and systematic manner after its discovery.

The functioning of the vigil mechanism is reviewed by the Audit Committee from time to time. During the year under review, no compliant pertaining to the Company was received under the Whistle Blower Policy/Vigil Mechanism

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The said policy is available on the Company's website and can be accessed through the link https://hindaf.in/User/view_desk/23.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS.

The provisions of section 134(3)(p) of the Companies Act, 2013 read with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a formal annual performance evaluation has been done by the Board of its own performance, the Directors individually as well as evaluation of its committees.

The performance of the Board was evaluated by the Board after seeking feedback from all the Directors on the basis of parameters/criteria such as Board Composition & Quality, Board Meetings and procedures, Board strategy and Risk Management, Board and Management Relations, Succession Planning. The performance evaluation of the Directors was carried out by the entire Board (excluding the director being evaluated). The Directors expressed their satisfaction with the evaluation process.

The performance of the Committees was evaluated by the Board after seeking feedback from committee members on the basis of parameters/criteria such as functions and duties of Committees, adequacy of committee composition, effectiveness of meetings etc.

Independent Directors of the Company in their separate meeting held on 07th March, 2019 reviewed the performance of the Non-Independent Directors and the Board as a whole. They also reviewed the performance of the Chairman of the Company.

REMUNERATION POLICY OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board on the recommendation of Nomination & Remuneration Committee, framed a policy relating to remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and other employees, along with the criteria for appointment and removal of Directors, Key Managerial personnel and Senior Management Personnel of the Company. The Nomination and Remuneration Committee of the Company is fully empowered to determine/approve and revise subject to necessary approvals, the remuneration of managerial personnel, after taking into account the financial position of the Company, trends in industry, qualification, experience, past performance etc. The Non-Executive Directors are paid sitting fees for every meeting of the Board and its committees attended by them. The Nomination and Remuneration policy is available on the website of the Company at https://hindaf.in/User/view_desk/23.

FAMILIARIZATION POLICY

Pursuant to the provisions of Regulation 25(7) of Listing Regulations, 2015, the Board has framed a policy to familiarize Independent Directors about the Company.

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AUDITORS

A. STATUTORY AUDITOR

M/s Ravi Chopra and Associates, Chartered Accountants carried out the Statutory Audit of the Company for the financial year ended 2018-19. There were no adverse remarks or qualification on accounts of the Company from the Statutory Auditor. The Notes on Accounts and observations of the Auditors in their Report on the Accounts of the Company are self-explanatory and in the opinion of the Directors, do not call for any further clarification(s). Also, the report submitted by the Auditor is unqualified.

M/s Ravi Chopra and Associates, Chartered Accountants have resigned from as Statutory Auditor due to pre-occupations. Therefore, based on the recommendations of Audit Committee, the Board of Directors in its meeting held on 13.08.2019 appointed M/s Luthra & Associates, Chartered Accountants (Firm Registration No. 031997N) as a statutory Auditor to fill the casual vacancy caused by the resignation of M/s Ravi Chopra and Associates. The tenure of M/s Luthra & Associates, Chartered Accountants (Firm Registration No. 031997N) is up to the ensuing Annual General Meeting. The Board recommended his appointment from the conclusion of this Annual General Meeting till the conclusion of 44th Annual General Meeting for approval by shareholders.

B. SECRETARIAL AUDITOR

Pursuant to provision of section 204 of the Companies act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, the Board of Directors based on recommendation of Audit Committee has appointed M/s Anju Bansal & Associates, Company Secretaries as a Secretarial Auditor in their meeting held on 27.05.2019 to conduct the Secretarial Audit for the financial year 2018-19 and to continue till the time the power is revoked by the Board of Directors at a remuneration as Board of Directors may think fit in consultation with the Secretarial Auditor.

The Secretarial Audit for the financial year ended 31st March, 2019 was conducted by M/s Anju Bansal & Associates, Company Secretaries, and the report thereon is annexed herewith as “**Annexure- B**”.

Qualification(s) and Directors' comments on the report of Secretarial Auditor:

1. The Company has not appointed a Whole Time Company Secretary pursuant to Section 203 of the Companies Act, 2013, during financial year 2018-19.

Reply of Management for observation made by the Secretarial Auditors in their report:

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1. In respect of observation pertaining to Section 203 of the Companies Act, 2013 for the appointment of Company Secretary, it was replied by the management that the company was in process of searching right candidate for the post of company secretary.

INTERNAL AUDIT

The Board of Directors in their meeting held on 21.08.2018 appointed Ankit Satya & Associates, Chartered Accountants ((FRN:025250C) as an Internal Auditor of the Company w.e.f. 21.08.2018 till the time power reviewed revoked by the Board of Directors.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITOR

During the year under review, the Statutory Auditor and Secretarial Auditor have not reported any instances of fraud committed by the Company or its officers, or employees to the Audit Committee under Section 143(12) of the Act. Therefore no details are required to be disclosed under Section 134(3)(ca) of the Act.

PARTICULAR OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not given any loan(s) or guarantee(s) and has not made any investment covered under the provision of the section 186 of the Companies Act, 2013 during the year under review.

PARTICULAR OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013

During the financial year 2018-19, company did not enter into any contracts or arrangements with any related party. AOC-2 is also attached herewith as **Annexure-C**.

MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT.

There are no material changes and commitments affecting the financial position of the Company between the end of financial year 31st March, 2019 and the date of this Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

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During the financial year 2018-19, no significant and material order(s) were passed by any regulator(s) or courts or tribunals which could impact the going concern status and company's operation in future.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT-GO

The provisions of Section 134(3)(m) of the Companies Act, 2013 are not applicable to your Company since your Company being engaged in financing business, does not have any activity relating to conservation of energy and did not undertake any research and development activity or derived any benefit out of it. No efforts were made towards technology absorption. There was no foreign exchange inflow or outflow during the year under review.

RISK MANAGEMENT

The provisions of SEBI Regulations for formation of Risk Management Committee are not applicable to the Company. However, as per section 134 (3) (n) of Companies Act 2013, the company regularly maintains a proper check in normal course of its business regarding risk management. Currently, the company does not identify any element of risk which may threaten the existence of the company.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The company does not fall under the criteria of net worth, turnover or profit for applicability of Corporate Social Responsibility (CSR) provisions as per Section 135 of the Companies Act, 2013, hence the same are not applicable to the company for the period under review.

MAINTENANCE OF COST RECORDS

The maintenance of Cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 is not applicable to the Company.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of "The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013" and Rules made thereunder, your Company has constituted Internal Complaints Committee (ICC) at its workplaces. During the year, no complaints were filed with the Company.

PARTICULARS OF EMPLOYEES

The Company has no employee who is in receipt of remuneration of Rs. 8,50,000 per month or Rs. 1,02,00,000 per annum and hence, the Company is not required to give information as required

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under the provisions of Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further the details pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached herewith as **Annexure-D** and names of top ten employees in terms of remuneration drawn by them pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached herewith as **Annexure-E**.

CORPORATE GOVERNANCE

Your Company's Corporate Governance philosophy is governed by its commitment to run its business in legal, ethical and transparent manner. The Company believes that sound corporate governance is critical in enhancing and retaining investor trust. Transparency, Accountability, fairness and intensive communication with stakeholders are integral to our functioning.

The Board has framed Code of Conduct for all Board Members and Senior Management of the Company and they have affirmed the compliance for the financial year ended March 31, 2019 by virtue of Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Compliance with Corporate Governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V were not applicable to the Company for the financial year 2021-22. Hence, Corporate Governance report does not form part of this Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section of this Annual Report as **Annexure-F**.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a robust and comprehensive Internal Financial Control system commensurate with the size, scale and complexity of its operation. The system encompasses the major processes to ensure reliability of financial reporting, compliance with policies, procedures, laws, and regulations, safeguarding of assets and economical and efficient use of resources.

The Company has performed an evaluation and made an assessment of the adequacy and the effectiveness of the Company's Internal Financial Control System. The Statutory Auditors of the Company have also reviewed the Internal Financial Control system implemented by the Company on the financial reporting and in their opinion, the Company has, in all material respects, adequate Internal Financial Control system over Financial Reporting and such Controls over Financial

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Reporting were operating effectively as on 31st March, 2019 based on the internal control over financial reporting criteria established by the Company.

The policies and procedures adopted by the Company ensures the orderly and efficient conduct of its business and adherence to the company's policies, prevention and detection of frauds and errors, accuracy & completeness of the records and the timely preparation of reliable financial information.

The Internal auditors continuously monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management with regard to the internal control framework.

LISTING

The shares of the Company are listed at Metropolitan Stock Exchange of India ("MSEI"). The listing fees for the financial year 2018-19 has been paid to MSEI. The ISIN of the Company is INE806Q01018.

PERSONNEL RELATIONS

Your Directors hereby place on record their appreciation for the services rendered by executives, staff and other workers of the Company for their hard work, dedication and commitment. During the year under review, relations between the Employees and the Management continued to remain cordial.

CODE OF CONDUCT

The Board of Directors has laid down the code of conduct for all Board Members and members of the Senior Management of the Company. Additionally, all Independent Directors of the company shall be bound by duties of Independent Directors as set out in Companies Act, 2013 to be read with SEBI Listing Regulations, 2015.

All Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the Code of Conduct.

POLICY OF PRESERVATION OF DOCUMENTS

Pursuant to Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted the policy of preservation of documents to preserve the documents to preserve the documents as per Regulation 9(a) & 9(b) of SEBI Listing Regulations. The said policy is available on the website of the Company and can be accessed through the link https://hindaf.in/User/view_desk/23.

HINDUSTAN AUTO FINANCE LIMITED

Regd. Add.: Cabin No. DA-8, 2nd Floor, Vikas Marg, Shakarpur, New Delhi - 110092

E-Mail: hindaf1980@gmail.com, CIN: L65910DL1980PLC010617

Website: www.hindaf.in

DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of Section 134(3) of the Companies Act 2013, the Directors, would like to state as follows:

- (a) In the preparation of the Annual Accounts, the applicable Indian Accounting Standards have been followed along with proper explanation relating to material departures;
- (b) Appropriate accounting policies have been selected and applied consistently and have made judgments & estimates that are reasonable and prudent so as to give a true & fair view of the state of affairs of the company at the end of the financial year and of the profit of the Company for that period;
- (c) Proper & sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing & detecting fraud & other irregularities;
- (d) The Annual Accounts has been prepared on a going concern basis;
- (e) Proper Internal Financial Controls were followed by the Company and such Internal Financial controls are adequate and were operating effectively;
- (f) Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for assistance and co-operation received from the various stake holders including Financial Institutions, Banks, Governmental authorities and other business associates who have extended their valuable support and encouragement during the year under review.

Your Directors take the opportunity to place on record their deep appreciation of the committed services rendered by the employees at all levels of the Company, who have contributed significantly towards Company's performance and for enhancing its inherent strength. Your Directors also acknowledge with gratitude the encouragement and support extended by our valued stakeholders.

**On Behalf of the Board of Directors
For Hindustan Auto Finance Limited**

Sd/-	Sd/-
Subhash Sapra	Neera Sapra
Managing Director	(Director & Chief Financial Officer)
DIN: 00241940	DIN: 00241941

Date: 07.03.2023

Place: New Delhi

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Annexure-A

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2019
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	L65910DL1980PLC010617
2	Registration Date	08-07-1980
3	Name of the Company	Hindustan Auto Finance Limited
4	Category of the Company	Company Limited by Shares
5	Sub-category of the Company	Indian Non-Government Company
6	Address of the Registered office & contact details	Cabin No. DA-8, 2nd Floor, Vikas Marg, Shakarpur, New Delhi - 110092 Email: hindaf1980@gmail.com
7	Whether listed company	Yes
8	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Beetal Financial & Computer Services (P) Limited 99 Madangir, Behind Local Shopping Centre, Near Dada, Harsukhdas Mandir, New Delhi-110062 Ph.: 011-29961281-83

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	Financials Activities	6619	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		NIL			

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01 st April, 2018]				No. of Shares held at the end of the year [As on 31 st March, 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	974,600	-	974,600	27.82%	974,600	-	974,600	27.82%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	974,600	-	974,600	27.82%	974,600	-	974,600	27.82%	0.00%
(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)	974,600	-	974,600	27.82%	974,600	-	974,600	27.82%	0.00%

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B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	74,900	74,900	2.14%	-	74,900	74,900	2.14%	0.00%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	760600	760600	21.71%	-	760600	760600	21.71%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	148700	1380400	1529100	43.65%	148700	1380400	1529100	43.65%	0.00%
c) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Non Resident Indians	-	227,000	227,000	6.48%	-	227000	227,000	6.48%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	148,700	2,379,500	2,528,200	72.18%	148,700	2,379,500	2,528,200	72.18%	0.00%
Total Public (B)	148,700	2,379,500	2,528,200	72.18%	148,700	2,379,500	2,528,200	72.18%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	1,123,300	2,379,500	3,502,800	100.00%	1,123,300	2,379,500	3,502,800	100.00%	0.00%

(ii) Shareholding of Promoter

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	Subhash Sapra	450500	12.86%	0	450500	12.86%	0	0.00%
2	Neera Sapra	336700	9.61%	0	336700	9.61%	0	0.00%
3	Subhash Sapra & Sons (HUF)	26,600	0.76%	0	26,600	0.76%	0	0.00%
4	Divya Sapra	117,200	3.34%	0	117,200	3.35%	0	0.00%
5	Dhruv Sapra	43,600	1.24%	0	43,600	1.24%	0	0.00%

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

S.No.		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.	Subhash Sapra				
	At the beginning of the year	450500	12.86%	450500	12.86%
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change			
	At the end of the year	450500	12.86%	450500	12.86%
2.	Neera Sapra				
	At the beginning of the year	336700	9.61%	336700	9.61%
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change			
	At the end of the year	336700	9.61%	336700	9.61%
3.	Shubhash Sapra & Sons HUF				
	At the beginning of the year	26600	0.76%	26600	0.76%
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change			
	At the end of the year	26600	0.76%	26600	0.76%
4.	Divya Sapra				
	At the beginning of the year	117200	3.35%	117200	3.35%
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change			
	At the end of the year	117200	3.35%	117200	3.35%
5.	Dhruv Sapra				
	At the beginning of the year	43600	1.24%	43600	1.24%
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change			
	At the end of the year	43600	1.24%	43600	1.24%

(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	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares	No. of shares	% of total shares
	DD Investment Private Limited				

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1	At the beginning of the year	2,38,500	6.81%	2,38,500	6.81%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	No changes during the year			
	At the end of the year (or on the date of separation, if separated during the year)	2,38,500	6.81%	2,38,500	6.81%
2	Keshav C Verma				
	At the beginning of the year	175,000	5.00%	175,000	5.00%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	No changes during the year			
	At the end of the year (or on the date of separation, if separated during the year)	175,000	5.00%	175,000	5.00%
3	Meghna Dembla				
	At the beginning of the year	133,700	3.82%	133,700	3.82%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	No changes during the year			
	At the end of the year (or on the date of separation, if separated during the year)	133,700	3.82%	133,700	3.82%
4	Ashok Kumar Sood				
	At the beginning of the year	75,100	2.14%	75,100	2.14%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	No changes during the year			
	At the end of the year (or on the date of separation, if separated during the year)	75,100	2.14%	75,100	2.14%
5	Kamlesh Khurana				
	At the beginning of the year	50,100	1.43%	50,100	1.43%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	No changes during the year			
	At the end of the year (or on the date of separation, if separated during the year)	50,100	1.43%	50,100	1.43%

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6	Prabha Sheopuri				
	At the beginning of the year	39,300	1.12%	39,300	1.12%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	No changes during the year			
	At the end of the year (or on the date of separation, if separated during the year)	39,300	1.12%	39,300	1.12%
7	Manoj Sheopuri				
	At the beginning of the year	39,000	1.11%	39,000	1.11%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	No changes during the year			
	At the end of the year (or on the date of separation, if separated during the year)	39,000	1.11%	39,000	1.11%
8	Nasiruddin				
	At the beginning of the year	37,500	1.07%	37,500	1.07%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	No changes during the year			
	At the end of the year (or on the date of separation, if separated during the year)	37,500	1.07%	37,500	1.07%
9	M C R Rao				
	At the beginning of the year	35,600	1.02%	35,600	1.02%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	No changes during the year			
	At the end of the year (or on the date of separation, if separated during the year)	35,600	1.02%	35,600	1.02%
10	Dharam Veer Singh				
	At the beginning of the year	32,500	.93%	32,500	.93%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	No changes during the year			
	At the end of the year (or on the date of separation, if separated during the year)	32,500	0.93%	32,500	0.93%

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(v) Shareholding of Directors and Key Managerial Personnel:					
S. No.	Shareholding of each Directors and Key Managerial Personnel	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the year [As on 31-March-2019]	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Subhash Sapra (Managing Director)				
	At the beginning of the year	450500	12.86%	450500	12.86%
	Date wise Increase / Decrease in Share-holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.)	No changes during the year			
	At the end of the year	450500	12.86%	450500	12.86%
2	Neera Sapra (Director & Chief Financial Officer)				
	At the beginning of the year	336700	9.61%	336700	9.61%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	No changes during the year			
	At the end of the year	336700	9.61%	336700	9.61%
3	Mithlesh (Director)				
	At the beginning of the year	0	0.00%	0	0.00%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	No changes during the year			
	At the end of the year	0	0.00%	0	0.00%
4	Man Singh Tosaria (Director)				
	At the beginning of the year	600	0.00017%	600	0.00017%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	No changes during the year			
	At the end of the year	600	0.00017%	600	0.00017%
5	Sudhir Jain (Director)				
	At the beginning of the year	100	0.000029%	100	0.000029%

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Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	No changes during the year			
At the end of the year	100	0.000029%	100	0.000029%

V. INDEBTEDNESS

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

(Amt. Rupees)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rupees)
	Name	Subhash Sapra	
	Designation	Managing Director	
1	Gross salary	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,000	10,000.00
	(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)	10000	10,000.00
	Ceiling as per the Act		

B. Remuneration to other Directors

S. No.	Particulars of Remuneration	Name of Directors	Total Amount (Rupees)
1	Independent Directors	Mithlesh	

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	Fee for attending board committee meetings	-	-
	Commission	-	-
	Others, please specify	-	-
	Total (1)	-	-
2	Other Non-Executive Directors	Neera Sapra	-
	Fee for attending board committee meetings	-	-
	Commission	-	-
	Others, please specify	-	-
	Total (2)	-	-
	Total (B)=(1+2)	-	-
	Total Managerial Remuneration	-	-
	Overall Ceiling as per the Act		

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

S. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rupees)
		Name			
	Designation	-	Neera Sapra	-	-
		CEO	CFO	CS	
1	Gross salary:				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	42,000	-	42,000
	(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	-	42,000	-	42,000

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	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

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On Behalf of the Board of Directors

For Hindustan Auto Finance Limited

Sd/-

**Subhash Sapra
(Managing Director)**

DIN: 00241940

Sd/-

**Neera Sapra
(Director & Chief Financial Officer)**

DIN: 00241941

Date: 07.03.2023

Place: New Delhi

MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To,
The Members,
Hindustan Auto Finance Limited, Cabin No. DA-8, 2nd Floor, Vikas Marg, Shakarpur, New Delhi,
110092.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hindustan Auto Finance Ltd** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **M/s Hindustan Auto Finance Ltd** books, papers, minute books, forms and returns filed and other records maintained by the company 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, 2019** 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 Hindustan Auto Finance Ltd** (“the Company”) for the financial year ended **31st March, 2019** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the company during the audit period.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Not Applicable

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable
 - i. The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015
- (vi) The Management has identified and confirmed the following laws as specifically applicable to Company:
- a. The EPF & Misc. Provisions Act, 1952

We further report that the Compliance by the Company of applicable financial laws like Direct & Indirect tax laws have not been reviewed in this audit since the same was subject to review by the Statutory Auditors.

We have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards issued by the Institute of Company Secretaries of India.
- II. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:
 - 1. *The Company has not appointed a Whole Time Company Secretary pursuant to Section 203 of the Companies Act, 2013.*
 - 2. *The company did not conduct Annual General Meeting for the year under consideration.*

We further report that:

The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors till 24.08.2018. Later the company has appointed two Independent Directors on the Board to maintain proper balance proper balance of Executive Directors, Non- Executive Directors and Independent Directors.

Adequate notices were given to all directors to schedule the Board Meetings. Notice of Board Meeting Agenda and detailed notes on agenda were sent at least seven days in advance. A system exists for Directors to seek and obtain further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decision of Board/Committees were carried through majority. We are informed that there was no dissenting members view on any of the matters during the year that were required to be captured and recorded as part of minutes.

We further report that during the Audit period there were no specific event/actions having a major bearing on Company's affairs in pursuance of the above referred laws, regulations, guidelines, standards etc.

**For Anju Bansal & Associates
Company Secretaries**

**(CS Anju Bansal)
Mem. No. 12334
C.O.P. No. 17594**

**Place: Meerut
Date: 07.03.2023**

This report is to be read with our letter of even date which is annexed as '**Annexure-I**' and forms an integral part of this report.

Annexure-I

To,
The Members,
Hindustan Auto Finance Limited,
Cabin No. DA-8, 2nd Floor,
Vikas Marg, Shakarpur,
New Delhi, 110092

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Anju Bansal & Associates
Company Secretaries**

**(CS Anju Bansal)
Mem. No. 12334
C.O.P. No. 17594**

**Date:07.03.2023
Place: Meerut**

Annexure-C

FORM NO. AOC-2

(Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis:

The Company has not entered into contract/arrangement/transaction with its related parties which is not in ordinary course of business or at arm's length basis during FY 2018-19.

- a) Name(s) of the related party and nature of relationship- Not Applicable.
- b) Nature of contracts/arrangements/transactions- Not Applicable.
- c) Duration of the contracts/arrangements/transactions-Not Applicable.
- d) Salient terms of the contracts or arrangements or transactions including the value, if any- Not Applicable.
- e) Justification for entering into such contracts or arrangements or transactions- Not Applicable.
- f) Date(s) of approval by the Board- Not Applicable.
- g) Amount paid as advances, if any- Not Applicable.
- h) Date on which the Special Resolution was passed in general meeting as required under first proviso to section 188- Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:

- a. Name(s) of the related party and nature of relationship- Not Applicable.
- b. Nature of contracts/arrangements/transactions- Not Applicable.
- c. Duration of the contracts/arrangements/transactions-Not Applicable.
- d. Salient terms of the contracts or arrangements or transactions including the value, if any- Not Applicable.
- e. Justification for entering into such contracts or arrangements or transactions- Not Applicable.
- f. Date(s) of approval by the Board- Not Applicable.

**On Behalf of the Board of Directors
For M/s Hindustan Auto Finance Limited**

Sd/-
Subhash Sapra
(Managing Director)
DIN:00241940

Sd/-
Neera Sapra
(Director & Chief Financial Officer)
DIN: 00241941

Date: 07.03.2023
Place: New Delhi

Annexure-D

Disclosures pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a) **The ratio of remuneration of each director to the median remuneration of employees for the financial year:**

S.No.	Name	Designation	Ratio against median employee's remuneration
1.	Mr. Subhash Sapra	Managing Director	0.22
2.	Mrs. Neera Sapra	Director & Chief Financial Officer	0.23

- b) **The Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

S.No.	Name of Director/CFO	Category	% Increase in Remuneration in the financial year
1.	Mr. Subhash Sapra	Managing Director	0.00%
2.	Mrs. Neera Sapra	Director	-75%
3.	Mrs. Neera Sapra*	Chief financial Officer	N.A.

*% increase in remuneration of Mrs. Neera Sapra as a Chief Financial Officer has not been computed as she drew the remuneration as Chief Financial Officer in FY 2018-19 only.

- c) **The percentage increase in the median remuneration of employees in the financial year:**

The Percentage increase in median remuneration of employees in the financial year was -34.78%.

- d) **The number of permanent employees on the rolls of the Company:** 4 employees as on March 31, 2019.

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

The average increase in remuneration of the employees is -38.73%. The average increase in overall managerial remuneration is 0%.

f) Affirmation that remuneration is as per the remuneration policy of the Company.

The Company affirms that the remuneration is as per the remuneration policy of the Company.

**On Behalf of the Board of Directors
For M/s Hindustan Auto Finance Limited**

**Sd/-
Subhash Sapra
(Managing Director)
DIN:00241940**

**Sd/-
Neera Sapra
(Director & Chief Financial Officer)
DIN: 00241941**

**Date: 07.03.2023
Place: New Delhi**

ANNEXURE - E

Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Director's Report for the year ended March 31, 2020.

Name of top ten employees in terms of remuneration drawn:

Employee Name	Designation	Qualification and experience of employee	Date of commencement of employment	Remuneration/Salary received	Age	Last employment held by employee.
Mr. Subhash Sapra	Managing Director	Graduate, and exp. of more than 40 years	08.07.1980	Rs.10,000/-	70	N.A.
Mrs. Neera Sapra	Director & Chief Financial Officer	Graduate and exp. of more than 20 years	01.01.1999	Rs.42,000/-	63	N.A.
Mr. Suresh Chand Sharma	Senior Accountant	Graduate & exp. of more than 30 years	09.08.1994	Rs.1,08,000/-	59	N.A.
Mr. Sudhir Malhotra	Clerk	Graduate And exp. of more than 25 years	01.04.1990	Rs.48000/-	68	N.A.

Notes

- 1) There was no such employee employed throughout the financial year who was in receipt of remuneration for that year which in the aggregate not less than one crore and two lakh rupees.
- 2) There was no such employee employed for a part of the financial year who was in receipt of remuneration for any part of that year, at a rate which in the aggregate, not less than eight lakh and fifty thousand rupees per month.
- 3) Mrs. Neera Sapra, Director & Chief Financial Officer and Mr. Suresh Chand Sharma, Senior Accountant and Mr. Sudhir Malhotra were in receipt of remuneration which in the aggregate, is in excess of that drawn by the managing director.

- 4) Mr. Suresh Chand Sharma holds 1.60% equity shares and Mr. Sudhir Malhotra hold 0.02% equity shares of the Company. Mr. Subhash Sapra holds 12.86% equity shares and Mrs. Neera Sapra holds 9.61% equity shares of the Company.

**On Behalf of the Board of Directors
For M/s Hindustan Auto Finance Limited**

**Sd/-
Subhash Sapra
(Managing Director)
DIN:00241940**

**Sd/-
Neera Sapra
(Director & Chief Financial Officer)
DIN: 00241941**

**Date: 07.03.2023
Place: New Delhi**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

We submit herewith the “Management Discussion and Analysis Report” on the business of the Company as applicable to the extent relevant.

INDUSTRY STRUCTURE AND DEVELOPMENT

India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises of commercial banks, insurance companies, non-banking financial companies, co- operatives, pension funds, mutual funds and other smaller financial entities.

So far, Finance Companies (FC(s)) have scripted a great success story. Their contribution to the economy has grown in leaps and bounds. In terms of financial assets, FC(s) have recorded a healthy growth. With the ongoing stress in the public sector banks due to mounting of bad debts, their appetite to lend (especially in rural areas) is deteriorating.

INDUSTRY OVERVIEW

India has a diversified financial sector undergoing rapid expansion with many new entities entering the market along with the existing financial services firms. The sector comprises commercial banks, insurance companies, NBFC’s, Housing Finance Companies, Co-operatives, Pension Funds, Mutual Funds and other small financial entities. Financial Services Sector is poised to grow on the back of rising incomes, significant government attention and the increasing pace of digital adoption. Another vital element of the nation’s financial sector is the rapidly growing insurance industry. The Reserve Bank of India recently allowed new entities such as payment banks and small finance banks to commence operations, focusing on specific segments of transactional banking and small-ticket lending, respectively.

The Govt. has undertaken various initiatives to promote growth and ease operations in the financial sector. In December, 2018, Securities and Exchange Board of India (SEBI) proposed direct overseas listing of Indian Companies and other regulatory exchanges. SEBI has allowed exchanges in India to operate in equity and commodity segments simultaneously from October, 2018,

COMPANY OVERVIEW

Our Company is engaged in the business of finance, hire purchase etc. But, currently the Company does not have any significant revenue as its lending was turned into Non-performing Assets.

OPPORTUNITIES, CHALLENGES AND OUTLOOK

Opportunities

FCs have served the unbanked customers by pioneering into retail asset-backed lending, lending against securities and microfinance. Following variables in the external environment may be seen as opportunities for the Company:

- FCs aspire to emerge as a one-stop shop for all financial services
- The sector has witnessed moderate consolidation activities in recent years, a trend expected to continue in the near future
- New banking license-related guidelines place FCs ahead in competition for licenses owing largely to their rural network
- New guidelines on FCs with regard to capital requirements, provisioning norms & enhanced disclosure requirements are expected to benefit the sector in the long run

Challenges

Competitive rivalry between big players is intense in the industry

- Financial services companies often compete on the basis of offering lower financing rates, higher deposit rates and investment services;
- Stringent regulatory norms prevent new entrants;
- Customers prefer to invest their money with a reputed financial services company offering a wide range of services;
- Low bargaining power of suppliers as the industry is highly regulated by statutory authorities;
- Medium bargaining power of customers. Although customers do not have much bargaining power, they can easily switch to another company based on the terms and quality of services provided.

Outlook

The Outlook for Indian economy remains optimistic as there is a sustained use in consumption and a gradual revival in investments, especially with a greater focus on infrastructure development. It is expected that government will focus on faster policy implementation and encourage private sector spending to boost investments. While focusing on government spending, India needs to maintain fiscal deficit within the target range. Meeting the revenue collection and disinvestment targets would be crucial to ensure the budgeted reduction in the fiscal deficit to GDP ratio. Continued implementation of structural and financial sector reforms with efforts to reduce public debt is important to ensure the economy's growth prospects. In the near term, continued fiscal consolidation is needed to bring down India's elevated public debt. This should be supported by strengthening Goods & Services Tax compliance and further reducing subsidies.

SEGMENT-WISE PERFORMANCE

The Company operates in one segment i.e. Finance Services.

DISSCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial statements have been prepared in accordance with the requirements of the Companies Act, 2013 and applicable accounting standards issued by the Institute of Chartered Accountants of

India. The details of the financial performance of the Company are appearing in the Balance Sheet, Profit & Loss Accounts and other financial statements forming part of this annual report.

INTERNAL CONTROL SYSTEM

Given the magnitude and nature of its business, the Company has maintained sound and commercial practice with an effective internal control system. The system ensures that all transactions are authorized, recorded and reported correctly to safeguard the assets of the Company and protect them from any loss due to unauthorized use or disposition. The adequate internal information system is in place to ensure proper information flow for the decision- making process. The Company also has well-established processes and clearly defined roles and responsibilities for people at various levels. The control mechanism also involves well documented policies, authorization guidelines commensurate with the level of responsibility and standard operating procedures specific to the respective businesses, adherence to which is strictly ensured. Internal audit is carried out frequently to create awareness and to take corrective actions on the respective units or areas, which need rectification. These reports are then reviewed by the “Management Team” and the “Audit Committee” for follow-up action.

HUMAN RESOURCE DEVELOPMENT

The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potential of its employees attracting and retaining the best manpower available by providing high degree of motivation.

Your Company believes in trust, transparency & teamwork to improve employees productivity at all levels.

KEY FINANCIAL RATIOS

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018, the Company is required to provide details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations. The following list of important financial ratios:

Particulars	FY-18-19	FY-17-18	% Change	Reason for variance
Debtors Turnover Ratio	0.02	0.02	-21.77%	Decrease in ratio is due to increase in account receivables.
Inventory Turnover Ratio	NA	NA	NA	-
Interest Coverage Ratio	NA	NA	NA	-

Current Ratio	16.86	16.58	1.74%	Increase in ration is due to decrease in current liabilities.
Debt Equity Ratio	0.02	0.02	-0.03%	Decrease in ratio is due to increase in shareholder's equity.
Operating Profit Margin (%)	0.03	0.03	-14.58%	Decrease is due to decrease in earnings before taxes.
Net Profit Margin	1.85%	2.10%	-11.64%	Decrease is due to decrease in net profits.
Debt Service Coverage Ratio	0.02	0.02	-30.45%	Decrease is due to decrease in net profits.
Return on Equity (ROE)	0.03%	0.03%	-30.47%	Decrease is due to decrease in net profits and increase in average shareholder's equity.
Net Working Capital Turnover Ratio	0.02	0.02	-21.35%	Decrease is due to decrease in sales.
Return on Capital Employed	0.04%	0.05%	-32.78%	Decrease is due to decrease in EBIT and increase in capital employed.

CAUTIONARY STATEMENT

The management discussion and analysis report containing your Company's objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include, changes in the governmental regulations, tax regimes, forex markets, economic developments within India and other incidental factors.

**On Behalf of the Board of Directors
For M/s Hindustan Auto Finance Limited**

Sd/-
Subhash Sapra
(Managing Director)
DIN:00241940

Sd/-
Neera Sapra
(Director & Chief Financial Officer)
DIN: 00241941

Date: 07.03.2023
Place: New Delhi

CHIEF FINANCIAL OFFICER CERTIFICATION

I, Neera Sapra, being Chief Financial Officer of Hindustan Auto Finance Limited do hereby confirm and certify that:

1. I have reviewed the financial statements and the cash flow statement for the financial year and that to the best of my knowledge and belief:

- a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. To the best of my knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.

3. I accept responsibility for establishing and maintaining internal control for financial reporting and have evaluated the effectiveness of internal control system of the listed entity pertaining to financial reporting and have disclosed to the auditor along with the audit committee, deficiencies in the design or operation of such internal control(s), if any, of which I am aware and the steps I have taken or proposed to take to rectify these deficiencies.

4. I have indicated to the Auditors and the Audit Committee that:

- a. there were no significant changes in internal control over financial reporting during the financial year;
- b. there were no significant changes in accounting policies during the financial year and that the same have been disclosed in the notes to the financial statements; and
- c. there were no instance(s) of significant fraud involved therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For Hindustan Auto Finance Limited

**Sd/-
(Neera Sapra)
Chief Financial Officer
DIN: 00241941**

Date: 23.02.2023

Place: New Delhi

COMPLIANCE WITH CODE OF CONDUCT

I, Subhash Sapra, Managing Director of the Company hereby certify that all the Directors and Senior Management Personnel have affirmed compliance with the code of the conduct of the company for the financial year ended on March 31, 2019.

For Hindustan Auto Finance Limited,

**Sd/-
Subhash Sapra
(Managing Director)
DIN: 00241940**

**Date: 23.02.2023
Place: New Delhi**

Independent Auditor's Report

To the Members of Hindustan Auto Finance Limited

Report on the Audit of the Financial Statements

Opinion

- 1 We have audited the accompanying financial statements of Hindustan Auto Finance Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
- 2 In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

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

Information other than the Financial Statements and Auditor's Report thereon

- 4 The Company's Board of Directors is responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

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

- 5 The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit (financial performance including other comprehensive income), changes in equity





and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. 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.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit: —

Report on Other Legal and Regulatory Requirements

11. As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
12. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
13. Further to our comments in Annexure A, 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 of the accompanying financial statements;
 - 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 financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;
 - f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 23.02.2023 as per Annexure B expressed unmodified opinion;
 - 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 Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position as at 31 March 2019;
 - ii. Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019;



- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Ravi Chopra And Associates**
Chartered Accountants
Firm's Registration No.: 07335N

Ravi Chopra
Partner
Membership No.: 083390

Place: New Delhi
Date: 23.02.2023

Annexure A to the Independent Auditor's Report of even date to the Members of Hindustan Auto Finance Limited, on the financial statements for the year ended 31 March 2019

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) The property, plant and equipment of the Company are physically verified by the management during the year and no material discrepancies were noticed on such verification.
 - (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) In our opinion, the Company has no inventory.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's product and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ lakhs)	Amount paid under protest (₹ lakhs)	Period to which the amount relates (AY)	Forum where dispute is pending
Income tax Act, 1961	Income tax	1	-	2001-02	Commissioner of Income Tax (Appeal)



Annexure A to the Independent Auditor's Report of even date to the Members of Hindustan Auto Finance Limited, on the financial statements for the year ended 31 March 2019

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid (and)/ provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Ravi Chopra And Associates**
Chartered Accountants
Firm's Registration No.: 07335N



Ravi Chopra
Partner
Membership No.: 083390

Place: New Delhi
Date: 23.02.2023



Annexure B to the Independent Auditor's Report of even date to the Members of Hindustan Auto Finance Limited, on the financial statements for the year ended 31 March 2019

Annexure B

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

- 1 In conjunction with our audit of the financial statements of Hindustan Auto Finance Limited ('the Company') as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

- 3 Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
- 4 Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
- 5 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For **Ravi Chopra And Associates**
Chartered Accountants
Firm's Registration No.: 07335N

Ravi Chopra
Partner
Membership No.: 083390

Place: New Delhi
Date: 23.02.2023

Hindustan Auto Finance Limited

Ind AS financial statements and related disclosures for year ended
31st March 2019

Hindustan Auto Finance Limited
Balance Sheet
 (All amount in Rs. Lakh, unless otherwise stated)

Particulars	Notes	31 March, 2019	31 March, 2018
Assets			
Non-current assets			
Property, plant and equipment	3	0.53	0.55
Capital work in progress			
Other Intangible assets			
Intangible assets under development			
Financial assets			
i. Investments			
ii. Loans			
iii. Other financial assets	4	58.01	58.01
Other non-current assets	5	0.05	0.05
Total non-current assets		58.59	58.61
Current assets			
Inventories			
Financial assets			
i. Investments			
ii. Trade receivables	6	200.34	200.60
iii. Cash and cash equivalents	7	2.40	2.29
iv. Bank balances other than (ii) above			
v. Loans			
vi. Other financial assets			
Current tax assets (Net)			
Other current assets			
Total current assets		202.74	202.88
Total assets		261.33	261.49
Equity and liabilities			
Equity			
Equity share capital	8	350.28	350.28
Other equity	9	(101.83)	(101.90)
Total equity		248.45	248.38
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings			
ii. Trade payables			
iii. Other financial liabilities	10	0.86	0.86
Employee benefit obligations			
Deferred tax liabilities (Net)			
Total non-current liabilities		0.86	0.86
Current liabilities			
Financial liabilities			
i. Borrowings			
ii. Trade payables			
(a) Total outstanding due to Micro Enterprises & Small Enterprises			
(b) Total outstanding due to Creditors other than Micro Enterprises & Small Enterprises			
iii. Other financial liabilities	11	4.00	4.00
Employee benefit obligations			
Other current liabilities	12	8.02	8.24
Provisions			
Current tax liabilities (Net)			
Total current liabilities		12.02	12.24
Total liabilities		12.89	13.10
Total equity and liabilities		261.33	261.49

The accompanying notes are an integral part of these financial statements
 This is the Balance Sheet referred to in our report of even date

For Ravi Chopra and Associates
 Chartered Accountants

FRN : 07235N

(CA Ravi Chopra)
 Partner
 M. No : 083390
 UDIN :

Place: New Delhi
 Date : 23.02.2023

For and on behalf of the Board of Directors of
Hindustan Auto Finance Limited

Subhash Sapra
 Managing Director
 DIN : 00241940

Neera Sapra
 Director & CFO
 DIN : 00241941

Neera Sapra

Hindustan Auto Finance Limited
Statement of profit and loss
 (All amount in Rs. Lakh, unless otherwise stated)

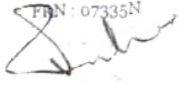
Particulars	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Income			
Revenue from operations	13	3.39	4.31
Other income and other gains/(losses)		-	-
Total income		3.39	4.31
Expenses			
Cost of material consumed		-	-
Purchase of stock-in-trade		-	2.49
Employee benefit expenses	14	2.02	-
Finance Cost		-	0.02
Depreciation and amortisation expense	15	0.02	1.68
Other expenses	16	1.27	-
Total expenses		3.31	4.18
Profit before tax		0.09	0.13
Income tax expense	17		
Current tax :-		-	-
Current Year		0.03	0.04
Earlier Years		-	-
Deferred tax :-		-	-
		0.06	0.09
Profit for the year			
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
-Remeasurements of post-employment benefit obligations		-	-
-Income tax relating to these items		-	-
Total Other Comprehensive Income for the year, net of tax			
		0.06	0.09
Total Comprehensive Income for the year			
Earnings per equity share:			
Basic earnings per share	20	0.0018	0.0026
Diluted earnings per share	25	0.0018	0.0026

The accompanying notes are an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For Ravi Chopra and Associates
 Chartered Accountants


FBN : 07335N



(CA Ravi Chopra)
 Partner
 M. No : 083390
 UDIN :

Place: New Delhi
 Date : 23.02.2023

Approved on behalf of the Board of Directors of
 Hindustan Auto Finance Limited


 Subhash Sapra
 Managing Director
 DIN : 0211040



Neera Sapra
 Director & CFO
 DIN : 00241941

Hindustan Auto Finance Limited
Statement of cash flows
 (All amount in Rs. Lakh, unless otherwise stated)

Particulars	31 March, 2019	31 March, 2018
A. Cash flow from operating activities		
Profit before tax	0.09	0.13
Adjustments for:		
Depreciation and amortisation expense	0.02	0.02
Operating profit before working capital changes	0.10	0.15
Change in operating assets and liabilities		
Decrease in trade receivables	0.26	(2.73)
(Decrease)/Increase in other current liabilities	(0.22)	0.38
Cash generated from operations	0.14	(2.20)
Income taxes (paid)/Refund	(0.03)	(0.04)
Net cash inflow/(outflow) from operating activities (A)	0.12	(2.24)
B. Cash flows from investing activities		
Cash advances and loans received back	-	0.14
(Decrease)/Increase in other current assets	-	-
Net cash inflow from investing activities (B)	-	0.14
C. Cash flows from financing activities		
Net cash outflow from financing activities (C)	-	-
Net increase/ (decrease) in cash and cash equivalents	0.12	(2.10)
Cash and cash equivalents at the beginning of the financial year	2.29	4.39
Cash and cash equivalents at end of the year	2.40	2.29
Reconciliation of cash and cash equivalent as per the cash flow statement:		
Cash and Cash equivalent as per above comprise the following:		
Cash and Cash equivalent (Note 7)	2.40	2.29
Balance as per statement of cash flows	2.40	2.29

The accompanying notes are an integral part of these financial statements

This is the Cash Flow Statement referred to in our report of even date

For Ravi Chopra and Associates
 Chartered Accountants


ERN/07335N


(CA Ravi Chopra)
 Partner
 M. No : 083390
 UDIN :

Place: New Delhi
 Date : 23.02.2023

For and on behalf of the Board of Directors of
 Hindustan Auto Finance Limited


 Subhash Sapra
 Managing Director
 DIN : 00241940


 Neera Sapra
 Director & CFO
 DIN : 00241941

Hindustan Auto Finance Limited
Statement of changes in equity
 (All amount in Rs. Lakh, unless otherwise stated)

I) Equity Share Capital

	Notes	Amounts
As at 1 April 2017		350.28
Changes in equity share capital during the year	8	-
As at 31 March 2018		350.28
Changes in equity share capital during the year	8	-
As at 31 March 2019		350.28

II) Other equity

	Notes	Reserves and surplus		
		Other Reserves	Retained earnings	Total
Balance as at 1 April 2017		7.73	(109.71)	(102.13)
Profit for the period	9	-	0.09	0.09
Other comprehensive income	9	-	-	-
Total comprehensive income for the year		-	0.09	0.09
Transactions with owners in their capacity as owners:				
Dividend paid		-	-	-
Dividend distribution tax		-	-	-
Balance as at 31 March 2018		7.73	(109.62)	(102.04)
Balance as at 31 March 2018		7.73	(109.62)	(102.04)
Profit for the period	9	-	0.06	0.06
Other comprehensive income	9	-	-	-
Total comprehensive income for the year		-	0.06	0.06
Transactions with owners in their capacity as owners:				
Dividend paid		-	-	-
Dividend distribution tax		-	-	-
Balance as at 31 March 2019		7.73	(109.56)	(101.97)

The accompanying notes are an integral part of these financial statements

This is the Statement of changes in equity referred to in our report of even date

For Ravi Chopra and Associates
 Chartered Accountants
 PIN : 073351

(CA Ravi Chopra)
 Partner
 M.No : 083390
 UDIN :

Place: New Delhi
 Date : 23.02.2023

For and on behalf of the Board of Directors of
 Hindustan Auto Finance Limited

Subhash Sapra
 Managing Director
 DIN : 00241910

Neera Sapra

Neera Sapra
 Director & CFO
 DIN : 00241941

3. **Property, plant and equipment**

Induction Auto Finance Limited

Notes to balance sheet

(All amounts in R. Lakhs, unless otherwise stated)

Asset Description	Gross carrying amount		Accumulated Depreciation and Amortisation		Net carrying amount as at 31 March, 2019
	As at 1 April, 2018	Additions during the year	Sales/disposal during the year	As at 31 March, 2019	
Furniture and fixtures	0.01	-	-	0.01	0.01
Office equipment	0.55	-	-	0.55	0.55
Total	0.56	-	-	0.56	0.55

Asset Description	Gross carrying amount		Accumulated Depreciation and Amortisation		Net carrying amount as at 31 March, 2018
	As at 1 April, 2017	Additions during the year	Sales/disposal during the year	As at 31 March, 2018	
Furniture and fixtures	0.01	-	-	0.01	0.01
Office equipment	0.55	-	-	0.55	0.53
Total	0.56	-	-	0.56	0.55

Note:

(i) Depreciation is remaining useful life in regular intervals.

(ii) Depreciation is calculated on pro rata basis for assets purchased/sold during the current financial year.

(iii) If/where assets is used for any other than the stated purpose, the Depreciation will increase by 50% for that period and in case of triple shift the depreciation shall be calculated on the basis of 100% for that period.

Additional Information related to Property, Plant and equipment presented as per Previous GAAP

The changes in the carrying value of property, plant and equipment for the period reported are as follows:

Asset Description	Gross carrying amount		Accumulated Depreciation and Amortisation		Net block as at 31 March, 2019
	As at 1 April, 2018	Additions during the year	Sales/disposal during the year	As at 31 March, 2019	
Furniture and fixtures	3.60	-	-	3.59	0.01
Office equipment	9.56	-	-	9.04	0.52
Total	13.16	-	-	12.63	0.53

Asset Description	Gross carrying amount		Accumulated Depreciation and Amortisation		Net block as at 31 March, 2018
	As at 1 April, 2017	Additions during the year	Sales/disposal during the year	As at 31 March, 2018	
Furniture and fixtures	3.60	-	-	3.59	0.01
Office equipment	9.56	-	-	9.03	0.53
Total	13.16	-	-	12.62	0.55

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Hindustan Auto Finance Limited
Notes to balance sheet
 (All amount in Rs. Lakh, unless otherwise stated)

Particulars	31 March, 2019	31 March, 2018
4 Other non-current financial assets		
Security deposits	0.03	0.03
Loans and Advances (Considered good - unsecured)	57.98	57.98
Total other non-current financial assets	58.01	58.01
5 Other non-current assets		
Balance with Bank	0.05	0.05
Total other non-current assets	0.05	0.05
6 Trade receivables		
Trade receivables	200.88	201.13
Less: Provision for doubtful receivables	(0.54)	(0.54)
	200.34	200.60
Break-up of security details		
Secured, considered good	200.34	200.60
Unsecured, considered good	0.54	0.54
Doubtful	200.88	201.13
Total	200.88	201.13
Allowance for doubtful debts	(0.54)	(0.54)
Total Trade receivables	200.34	200.60
7 Cash and cash equivalents		
Cash in hand	2.40	2.29
Total cash and cash equivalents	2.40	2.29

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Hindustan Auto Finance Limited
Notes to balance sheet

(All amount in Rs. Lakh, unless otherwise stated)

8 Equity share capital

Authorised equity share capital

	Number of shares (in Lakh)	Equity share capital (par value)
As at 1 April 2017	60.00	600.00
As at 31 March 2018	60.00	600.00
As at 31 March 2019	60.00	600.00

(i) Movements in equity share capital: Issued and fully subscribed

	Number of shares (in Lakh)	Equity share capital (par value)
As at 1 April 2017	35.03	350.28
Addition/(deletion) during the period	-	-
As at 31 March 2018	35.03	350.28
Addition/(deletion) during the period	-	-
As at 31 March 2019	35.03	350.28

(i) Terms and rights attached to equity shares

The company has one class of equity shares having a par value of Rs.10 each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shareholders holding more than 5% shares in the company

	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares (in Lakh)	% holding	Number of shares (in Lakh)	% holding
Subhash Sapra	4.51	12.86%	4.51	12.86%
Neera Sapra	3.37	9.61%	3.37	9.61%
DD Investments Private Limited	2.39	6.81%	2.39	6.81%
	10.26	29.28%	10.26	29.28%

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Neera Sapra

Hindustan Auto Finance Limited
Notes to balance sheet
 (All amount in Rs. Lakh, unless otherwise stated)

9 Other Equity

Reserves and surplus	31 March, 2019	31 March, 2018
Other Reserves	7.73	7.73
Retained Earnings	(109.56)	(109.62)
Total reserves and surplus	(101.83)	(101.90)
Total other equity	(101.83)	(101.90)

	31 March, 2019	31 March, 2018
a) Other Reserves		
Opening balance	7.73	7.73
Closing balance	7.73	7.73
b) Retained Earnings		
Opening balance	(109.62)	(109.71)
Net profit for the period	0.06	0.09
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax		
Closing balance	(109.56)	(109.62)

Notes:

i Nature and purpose of Reserves

Other Reserves

There is no restriction attached to the utilisation of other reserve.

10 Other non-current financial liabilities

Income Tax Demand	0.86	0.86
Total other non-current financial liabilities	0.86	0.86

11 Other current financial liabilities

Current maturities of long-term debts	4.00	4.00
Total other current financial liabilities	4.00	4.00

12 Other current liabilities

Advance Received from customers	0.00	0.00
Expenses Payable	0.48	1.66
Cheque issued but not presented	7.54	6.58
Total other current liabilities	8.02	8.24

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Neera Sarda

Hindustan Auto Finance Limited
Notes to profit or loss
 (All amount in Rs. Lakh, unless otherwise stated)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
13 Revenue from operations		
Sale of Services	3.39	4.31
Net Revenue from Operations	3.39	4.31
14 Employee benefit expense		
Salaries and wages	1.98	2.46
Contribution to provident and other funds	-	0.02
Staff welfare expenses	0.04	0.01
Total employee benefit expense	2.02	2.49
15 Depreciation and amortisation expense		
Depreciation of property, plant and equipment	0.02	0.02
Total depreciation and amortisation expense	0.02	0.02
16 Other expenses		
Director's Remuneration	0.10	0.10
Bank Charges	0.01	0.01
Printing and Stationery	0.00	0.21
Vehicle Running Expenses	0.11	0.05
Entertainment Expenses	-	0.11
Telephone Expenses	0.11	0.12
Miscellaneous expenses	0.08	0.04
Rent	0.10	0.10
Travelling & Conveyance	0.17	0.00
Meeting Expenses	-	0.12
Auditor Remuneration	0.13	0.13
Legal Charges	0.45	0.69
Pooja Expenses	0.01	-
Total other expenses	1.27	1.68
17 Income tax expense		
Current tax	-	-
Earlier Years	0.03	0.04
Total current tax expense	0.03	0.04
Deferred tax	-	-
Decrease (increase) in deferred tax assets	-	-
(Decrease) increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	-	-
Total income tax expense	0.03	0.04

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Heera. Sapsa

Hindustan Auto Finance Limited
Notes to financial statements
 (All amount in Rs. Lakh, unless otherwise stated)

18 Fair value measurements

Financial instruments by category

	31 March, 2019		31 March, 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Cash and cash equivalents	-	2.40	-	2.29
Security deposits	-	0.03	-	0.03
Total financial assets	-	2.43	-	2.31
Financial liabilities	-	-	-	-
Total financial liabilities	-	-	-	-

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

At 31 March 2019	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL	-	-	-	-	-
Investment	-	-	-	-	-
Total financial assets	-	-	-	-	-

Assets and liabilities which are measured amortised cost for which fair values are disclosed

At 31 March 2019	Notes	Level 1	Level 2	Level 3	Total
Financial liabilities					
	-	-	-	-	-
Total financial liabilities	-	-	-	-	-

Financial assets and liabilities measured at fair value - recurring fair value measurements

At 31 March 2018	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL:					
Investment	-	-	-	-	-
Total financial assets	-	-	-	-	-

Assets and liabilities which are measured amortised cost for which fair values are disclosed

At 31 March 2018	Notes	Level 1	Level 2	Level 3	Total
Financial Liabilities					
	-	-	-	-	-
Total financial liabilities	-	-	-	-	-

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Neelam Sarda

Hindustan Auto Finance Limited
Notes to financial statements

(All amount in Rs. Lakh, unless otherwise stated)

1) The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, other receivables, security deposits and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

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

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- fair value of the mutual funds has been determined on the basis of closing NAV of the respective funds on the closing date.
- the fair value of the borrowings is determined using discounted cash flow analysis.

(iii) Fair value of financial assets and liabilities measured at amortised cost

	31 March, 2019		31 March, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Liabilities				
Total financial liabilities	-	-	-	-

The fair values for loans, security deposits and investment in government securities were calculated based on cash flows discounted using a current lending rate. They are classified as level 2 fair values in the fair value hierarchy since significant inputs required to fair value an instrument are observable.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy since significant inputs required to fair value an instrument are observable.

During the year, there has been no movement between fair value levels from previous year.

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Financial risk management

The company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables and other financial assets	Aging analysis	Diversification of bank deposits, investments, credit limits and Bank Guarantee
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – interest rate	Borrowings at variable rates	Sensitivity analysis	Arrangement with borrowers for periodic reset of interest rate

The Company's risk management is carried out by a treasury department under the supervision of Chief Financial Officer of the Company. The treasury department identifies and evaluates financial risks in close co-operation with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, liquidity risk, etc.

(A) Credit risk

Credit risk arises from trade receivables, investments and other financial assets.

(i) Credit risk management

Credit risk is managed on company basis.

(ii) Reconciliation of loss allowance provision – Trade receivables

Loss allowance on 1 April 2017	(0.54)
Changes in loss allowance	-
Loss allowance on 31 March 2018	(0.54)
Changes in loss allowance	-
Loss allowance on 31 March 2019	(0.54)

The increase in loss allowance for trade receivable is mainly attributable to the higher amount of outstanding balance of trade receivable at the end of reporting period partially set-off by the trade receivable recovered during the year.

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding through availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at company level in accordance with practice and limits set by the company. In addition, the company's liquidity management policy involves close monitoring of daily liquidity position by considering daily cash collection and level of liquid assets necessary to meet a day-to-day obligation, monitoring balance sheet liquidity ratios against internal and external regulatory requirements.

(C) Market risk

(i) Foreign currency risk

The company does not have foreign operation. Further, at the reporting date, the company does not have any assets/liability denominated in foreign currency. Therefore, company is not exposed to foreign currency exchange risk at the reporting date.

(ii) Interest rate risk

The company's does not have borrowings.

Handwritten signature: Mehra Sameer

Handwritten initials: P. R.

Hindustan Auto Finance Limited
Notes to financial statements
(All amount in Rs. Lakh, unless otherwise stated)

20 Capital management

(a) Risk management

The company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

Company manages the share capital issued and subscribed along with shareholder's fund appearing in the financial statement as capital of the company. Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants. The company has complied with these covenants throughout the reporting period.

There is no change in the objectives, policies and processes for managing capital

(b) Dividends

	For the year ended 31 March 2019	For the year ended 31 March 2018
(i) Equity shares		
Final dividend for the year ended 31 March 2019 of Rs. NIL (31 March 2018 – Rs. NIL) per fully paid share	-	-
Dividend Distribution Tax	-	-

(ii) Dividends not recognised at the end of the reporting period

21 Segment information

(a) Description of segments and principal activities

The company's Board of Directors examines the company's performance from a product perspective and has identified single reportable segment, i.e., lease income, of its business. Accordingly, disclosures relating to operating segments under Ind AS 108 "Operating Segment" is not required. The Company does not have transactions of more than 10% of total revenue with any single external customer.

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Hindustan Auto Finance Limited
Notes to financial statements
 (All amount in Rs. Lakh, unless otherwise stated)

22 Related party transactions

(a) (ii) Key Management Personnel (KMP)

: Mr. Subhash Sapra, Director
 : Ms. Neera Sapra, Director

(b) Key management personnel compensation

	For the year ended 31 March 2019	For the year ended 31 March 2018
Managerial Remuneration	0.10	0.10
Total compensation	0.10	0.10

(c) Transactions with related parties

The following transactions occurred with related parties:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Total Transactions with related parties	-	-

(d) Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	March 31, 2019	March 31, 2018
Managerial Remuneration	-	0.10
Total payables to related parties	-	0.10

(e) Receivable from related parties

	March 31, 2019	March 31, 2018
Total receivables from related parties	-	-

(f) Terms and conditions

The transactions with related parties are carried in the normal course of business.

23 Contingent liabilities

Assessee Company's case was pending before the CIT(A) Meerut on account of impugned tax demand of Rs 1,54,388/- for the AY 2001-02 which was partly allowed to the extent of Rs 90,798/- However remaining tax demand of Rs 63,590/- is still not disposed off & pending before the income tax authorities.

24 Commitments

There is no commitments contracted for at the end of the reporting period.

Neera Sapra

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Hindustan Auto Finance Limited
Notes to financial statements
 (All amount in Rs. Lakh, unless otherwise stated)

25 Earnings per share

(a) Basic earnings per share

Basic earnings per share attributable to the equity holders of the Company

31 March, 2019	31 March, 2018
0.0018	0.0026

(b) Diluted earnings per share

Diluted earnings per share attributable to the equity holders of the Company

31 March, 2019	31 March, 2018
0.0018	0.0026

(c) Reconciliations of earnings used in calculating earnings per share

Basic earnings per share
 Profit attributable to equity holders of the company used in calculating basis earnings per share

31 March, 2019	31 March, 2018
0.06	0.09

Diluted earnings per share
 Profit attributable to equity holders of the company
 - used in calculating basis earnings per share
 Add/Less:
 Used in calculating diluted earnings per share

0.06	0.09
-	-
0.06	0.09

(d) Weighted average number of equity shares used as the denominator in calculating basic earnings per share

Weighted average number of equity shares used as the denominator in calculating basic earnings per share

In Laacs	In Laacs
35.03	35.03

Adjustments for calculation of diluted earnings per share:

Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share

35.03	35.03
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For Ravi Chopra and Associates
 Chartered Accountants
 FRN : 08335N



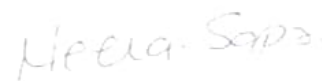
(CA Ravi Chopra)
 Partner
 M.No : 083390
 UDIN

Place: New Delhi
 Date : 23.02.2023

For and on behalf of the Board of Directors of
Hindustan Auto Finance Limited



Subhash Sapra
 Managing Director
 DIN : 00241940



Neera Sapra
 Director & CFO
 DIN : 00241941

Hindustan Auto Finance Limited

Notes to the Financial Statements

General Information

The Company is incorporated under Companies Act 1956 and the main source of revenue of the company is lease income. The Company has followed prudential Norms of RBI for Non-Banking Financial Companies (NBFCs) with regard to asset classification, recognition, investments and provisioning.

1. Significant accounting policies

This note provides a list of significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

i. Statement of Compliance

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values and the provisions of the Companies Act, 2013 (The Act) (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii. Functional and presentation currency

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

b) Segment reporting

The Company operates under single reportable operating segment. Accordingly, disclosure relating to operating reportable segment as required under Ind AS 108 are not applicable.

c) Revenue recognition

- a. Additional Hire Charges/ Lease charges are in the nature of compensation charges and Penal charges are on recognised basis.
- b. Hire purchase Income is apportioned equally over the Hire Period. However, for cases financed after 1st April 1997, income has been computed on the IRR method.
- c. The Prudential Norms prescribed by the RBI regarding the Non-Performing Assets are being followed by the Company and no income is recognized in respect of Non-performing Assets.

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Hindustan Auto Finance Limited

Notes to the Financial Statements

d) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate in India adjusted by changes in deferred tax assets and liabilities attributed to temporary differences and to unused tax losses.

Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situation in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amount expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

e) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

f) Stock on Hire

Stock on hire has been valued at cost plus total finance charges as reduced by the installments, which have matured during the relevant period.

g) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet where there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

h) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.



Neera Sapra

Hindustan Auto Finance Limited

Notes to the Financial Statements

i) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation on fixed assets is provided on straight-line method at the rates prescribed under Schedule II of the Companies Act, 2013.

Gains or loss arising from de-recognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the Statement of Profit and Loss when the asset is derecognised.

j) Earnings per Share

i. Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

ii. Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

k) Provisions and contingencies

Provisions are recognised when there is a present legal or statutory obligation or constructive obligation as a result of past events and where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets where it is probable that future economic benefits will flow to the Company are not recognised but disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.



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Hindustan Auto Finance Limited

Notes to the Financial Statements

1) Contributed equity

Equity shares are classified as equity

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.



Neera Sapra

PROXY FORM

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: **L65910DL1980PLC010617**

Name of the Company **Hindustan Auto Finance Limited**

Registered Office **Cabin No. DA-8, 2nd Floor, Vikas Marg, Shakarpur,
New Delhi-110092.**

Name of the Member(s)	
Registered address	
E-mail I. d.	
Folio no./Client Id*	
DP ID	

I/We, being the member(s) of **Hindustan Auto Finance Limited** holding _____ shares hereby appoint:

1. Name
Address
.....
E-Mail I.D.
Signature or failing him

2. Name
Address
.....

E-Mail I.D.
Signature

or failing
him

3. Name
Address
E-Mail I.D.
Signature

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 39th Annual General Meeting of the Company, to be held on Friday, 14th April, 2023 at 11 a.m. at the registered office of the Company situated at Cabin No. DA-8, 2nd Floor, Vikas Marg, Shakarpur, New Delhi, 110092, and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Brief of Resolutions	In favor of Resolutions	Against the Resolutions
1.	To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31 st March 2019 together with the Reports of the Directors' and Auditors' thereon.		
2.	To appoint a Director in place of Ms. Neera Sapra, (DIN: 00241941) who retires by rotation and being eligible, offers herself for re-appointment.		
3.	To appoint M/s Luthra & Associates, (Firm Registration No. 031997N), as statutory auditors of the Company.		
4.	Continuation of Mr. Subhash Sapra (00241940) as a Managing Director of the Company upon attaining age of Seventy years.		

Signed this _____ day of _____ 2023.

Affix Revenue
Stamp of Rs. 1/-

Signature of Shareholder

Signature of Proxy holder

Notes:

- (1) This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the meeting.*
- (2) For the resolutions, statement setting out material facts, notes and instructions please refer to the notice of Annual General Meeting.*
- (3) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.*
- (4) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.*

Please complete all details including details of member(s) and proxy(ies) in the above box before submission.

Form No. MGT-12

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

BALLOT PAPER

39th Annual General Meeting of the members of Hindustan Auto Finance Limited to be held on Friday, 14th April, 2023 at 11:00 a.m. at registered office of the company situated at Cabin No. DA-8, 2nd Floor, Vikas Marg, Shakarpur, New Delhi, 110092:-

Name of First Named Shareholder
(In Block Letters)

Postal Address

Folio No./DP ID & Client ID

No. of Shares held

Class of Shares

I hereby exercise my vote in respect of Ordinary/ Special Resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

S. No.	Brief of Resolutions	In favor of Resolutions	Against the Resolutions
1.	To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31 st March 2019 together with the Reports of the Directors' and Auditors' thereon.		
2.	To appoint a Director in place of Ms. Neera Sapra, (DIN:00241941) who retires by rotation and being eligible, offers herself for re-appointment		
3.	To appoint M/s Luthra & Associates, (Firm Registration No. 031997N), as statutory auditors of the Company.		
4.	Continuation of Mr. Subhash Sapra (00241940) as a Managing Director of the Company upon attaining age of Seventy years.		

Date:

Place:

Signature of Shareholder*

Please tick in the appropriate column

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

39th Annual General Meeting held on Friday, 14th April, 2023 at 11:00 A.M.

Name of the Member
(In Block Letters)

Folio No./DP ID & Client ID

No. of Shares held

Name of Proxy
(To be filled in, if the proxy attends instead of the member)

I, hereby certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 39th Annual General Meeting of the Company on Friday, 14th April, 2023 at 11:00 a.m. at registered office of the Company at Cabin No. DA-8, 2nd Floor, Vikas Marg, Shakarpur, New Delhi, 110092

Member's /Proxy's Signature

Note:

- 1) *Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be distributed at the meeting venue.*

**GREEN INITIATIVE IN CORPORATE
GOVERNANCEE-COMMUNICATION
REGISTRATION FORM**

(In terms of Section 20 of the Companies Act, 2013)

Folio No. / DP ID & Client ID :

.....

Name of 1st Registered Holder :

Name(s) of Joint Holder(s) :

.....

Registered Address :

Email ID (to be registered) :

I/We shareholder(s) of Hindustan Auto Finance Limited agree to receive communication from the Company in electronic mode under relevant provisions of the Companies Act, 2013. Please register my above e-mail in your records for sending communication through mail.

Signature:- _____
(First Holder)

Date: _____

****Note: Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.***

Route Map

