

M/S HINDUSTAN AUTO FINANCE  
LIMITED

# ANNUAL REPORT

FY-2022-23

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Subhash Sapra	Managing Director
Mrs. Neera Sapra	Director & Chief Financial Officer
Mr. Man Singh Tosaria	Independent Director
Mr. Sudhir Jain	Independent Director
Mr. Paritosh Kumar Bansal	Independent Director (Upto 30.06.2023)
Mr. Sumit Bansal	Independent Director

### KEY MANAGERIAL PERSONNEL

Subhash Sapra	Managing Director
Neera Sapra	Chief Financial Officer
Rishabh Aggarwal	Company Secretary (w.e.f. 01.10.2022)

### 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 ((FRN:025250C)  
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.

### **SHARES LISTED AT:**

Metropolitan Stock Exchange of India

### **BANKERS TO THE COMPANY**

Bank of Baroda, Ganga Nagar, Meerut

### **BOARD COMMITTEES**

#### **AUDIT COMMITTEE**

Mr. Sudhir Jain	Chairman
Mr. Man Singh Tosaria	Member
Mr. Paritosh Kumar Bansal	Member

#### **NOMINATION AND REMUNERATION COMMITTEE**

Mr. Sudhir Jain	Chairman
Mr. Man Singh Tosaria	Member
Mr. Paritosh Kumar Bansal	Member

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Mr. Sudhir Jain	Chairman
Mr. Man Singh Tosaria	Member
Mr. Paritosh Kumar Bansal	Member

#### **WEBSITE**

[www.hindaf.in](http://www.hindaf.in)

#### **CONTACT DETAILS**

[hindaf1980@gmail.com](mailto:hindaf1980@gmail.com)

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# HINDUSTAN AUTO FINANCE LIMITED

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

E-Mail: [hindaf1980@gmail.com](mailto:hindaf1980@gmail.com), CIN: L65910DL1980PLC010617

Website: [www.hindaf.in](http://www.hindaf.in)

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## NOTICE

NOTICE is hereby given that the 43<sup>rd</sup> Annual General Meeting of the members of M/s Hindustan Auto Finance Limited will be held on Wednesday, 27<sup>th</sup> Day of September, 2023 at 11:00 a.m. at the registered office of the Company 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, 2023 together with the reports of the Auditors' and Directors' thereon.
2. To appoint Mr. Subhash Sapra (DIN: 00241940), Managing Director who retires by rotation and being eligible offers himself for reappointment.

### SPECIAL BUSINESS:

3. To regularise the appointment of Mr. Sumit Bansal (DIN: 07449864) as the Independent Director of the company.
4. To Re-appoint Mr. Man Singh Tosaria (DIN: 00265138), as the Independent Director of the Company.
5. To Re-appoint Mr. Sudhir Jain (DIN: 06703181), as the Independent Director of the Company.

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

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

**Date: 17.08.2023  
Place: New Delhi**

## NOTES:

1. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business(es), if any, 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 43<sup>rd</sup> Annual General Meeting and Annual Report will also be available on the website of the Company's website [www.hindaf.in](http://www.hindaf.in) for their download.

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 demat 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 2022-23 is being sent through e-mail. Members may note this Notice and the Annual Report 2022-23 will also be available on the Company's website viz. [www.hindaf.in](http://www.hindaf.in).
11. 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.
12. 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.
13. 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 Thursday, September 21, 2023 to Wednesday, September 27, 2023. (both days inclusive).
14. 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. Wednesday, 20<sup>th</sup> September 2023.
15. 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.
16. 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 Annual General Meeting.

17. 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.
18. No gifts, gift coupons, or cash in lieu of gifts shall be distributed to members at or in connection with the general meeting.
19. 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 de-mat 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.
20. 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 Wednesday, 20<sup>th</sup> September, 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 CDSL or to vote at the AGM.

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

- (i) The voting period begins on 24<sup>th</sup> September 2023 at 09.00 AM and ends on 26<sup>th</sup> September 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 Wednesday, 20<sup>th</sup> September, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (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](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID



- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. 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](http://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:

	<b>For Shareholders holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10digit 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"> <li>• 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.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>• 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).</li> </ul>

- (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.
- (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](http://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](mailto: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](mailto: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](mailto:hindaf1980@gmail.com), 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

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](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

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

**Date: 17.08.2023  
Place: New Delhi**

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

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **ITEM NO.3**

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors in its meeting held on November 29, 2022 appointed Mr. Sumit Bansal (DIN: 07449864) as an Additional Director in the capacity of Independent Director to hold office for a period of five years effective from November 29, 2022, not liable to retire by rotation, subject to the approval of shareholders of the Company.

As per Regulation 25(2A) of Listing Regulations, the appointment, re-appointment or removal of an Independent Director of a listed Company shall be subject to the approval of shareholders by way of a special resolution.

The Company has received a notice under Section 160(1) of the Companies Act, 2013 from a member signifying his intention to propose the appointment of Mr. Sumit Bansal as an Independent Director of the Company. Mr. Sumit Bansal has also given a declaration under Section 149(7) of the Act that he meets the criteria for independence as specified under Section 149(6) of the Companies Act, 2013 and fulfils the conditions as specified in the Act and the rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations for his appointment as an Independent Director and he is Independent of the management. He holds valid registration certificate with the Databank of Independent Directors.

The Company has received consent in Form DIR-2 to act as Director and intimation in Form DIR-8 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

Mr. Sumit Bansal is having expertise in Corporate Governance matters and Corporate laws.

Details of his profile, qualification, experience and the information pursuant to Regulation 36(3) of Listing Regulations and Secretarial Standards on General Meeting are disclosed herein as part of **Annexure-I**.

The Board considers that association of Mr. Sumit Bansal would benefit the Company and therefore recommends the approval of the members as a Special resolution for appointment of Mr. Sumit Bansal for a term of five years with effect from November 29, 2022 to November 28, 2027.

Mr. Sumit Bansal is not debarred from holding the office of Director by virtue of any SEBI order or any such other authority pursuant to circulars dated 20<sup>th</sup> June, 2018 issued by BSE Limited and National Stock Exchange of India Limited pursuant to enforcement of SEBI orders regarding appointment of Directors by listed companies.

Mr. Sumit Bansal is said to be concerned or interested in the proposed resolution as it relates to his own appointment. None of the Directors or Key Managerial Personnel or their relatives are, in anyway concerned or interested financially or otherwise in the said special resolution set out at Item No.3 of this notice.

#### **ITEM NO.4**

Mr. Man Singh Tosaria (DIN: 00265138) was appointed as Independent Director of the Company with the approval of shareholders at the Annual General Meeting ('AGM') of the Company held on September 29, 2018 for a period of five years w.e.f. 24<sup>th</sup> August, 2018.

In accordance with Section 149(10) and (11) of the Companies Act, 2013 (the Act') an Independent Director shall hold office for a term of up to five years on the Board of the Company, but shall be eligible for re-appointment on passing of special resolution by the Company and disclosure of such reappointment in the Board's Report.

As per Regulation 25(2A) of Listing Regulations, the appointment, re-appointment or removal of an Independent Director of a listed Company shall be subject to the approval of shareholders by way of a special resolution.

Based on his experience, knowledge and performance evaluation and recommendations of Nomination and Remuneration Committee, the Board of Directors in its meeting held on 17<sup>th</sup> August, 2023 reappointed Mr. Man Singh Tosaria as an Independent Director to hold office for a period of five years effective from 24<sup>th</sup> August, 2023 not liable to retire by rotation, subject to approval of shareholders of the Company.

Pursuant to Regulation 17(IC) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the listed Company shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at next general meeting or within a period of three months from the date of appointment, whichever is earlier.

The Company has received a notice in writing pursuant to Section 160 of the Act, from a member signifying his intention to propose the candidature of Mr. Man Singh Tosaria for reappointment as an Independent Director.

The Company has received a consent in Form DIR-2 to act as Director and intimation in DIR-8 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section (2) of section 164 of the Act. The Company has also received declarations from Mr. Man Sing Tosaria confirming that he meets the criteria of Independence as prescribed under the Act and SEBI (Listing Obligations and Disclosure Requirements) Act, 2015.

Mr. Man Singh Tosaria fulfils the conditions for his reappointment as an Independent Director as specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He holds valid registration certificate with databank of Independent Directors.

Mr. Man Singh Tosaria is not debarred from holding the office of Director by virtue of any SEBI order or any such authority.

He has expertise of managing business operations.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to avail the services of Mr. Man Singh Toasria as an Independent Director.

Details of his profile and other information as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by ICSI is provided in **Annexure-I** to this Notice.

The Board recommends the Special Resolution set out at Item No. 4 of the notice for approval by the members.

Except Mr. Man Singh Tosaria, no other Director, Key Managerial Personnel and their relatives are in anyway concerned or interested financially or otherwise in said special resolution set out at Item No. 4 of this notice.

#### **ITEM NO.5**

Mr. Sudhir Jain (DIN: 06703181), was appointed as Independent Director of the Company with the approval of shareholders at the Annual General Meeting ('AGM') of the Company held on 29<sup>th</sup> September, 2018 for a period of five years w.e.f. August 24, 2018.

In accordance with Section 149(10) and (11) of the Companies Act, 2013 (the Act') an Independent Director shall hold office for a term of up to five years on the Board of the Company, but shall be eligible for re-appointment on passing of special resolution by the Company and disclosure of such reappointment in the Board's Report.

Based on his experience, knowledge and performance evaluation and recommendations of Nomination and Remuneration Committee, the Board of Directors in its meeting held on 17<sup>th</sup> August, 2023 reappointed Mr. Sudhir Jain as an Independent Director to hold office for a period of five years effective from 24<sup>th</sup> August, 2023 not liable to retire by rotation, subject to approval of shareholders of the Company.

The Company has received a notice in writing pursuant to Section 160 of the Act, from a member signifying his intention to propose the candidature of Mr. Sudhir Jain for reappointment as an Independent Director.

The Company has received a consent in Form DIR-2 to act as Director and intimation in DIR-8 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section (2) of section 164 of the Act. The Company has also received declarations from Mr. Sudhir Jain confirming that he meets the criteria of Independence as prescribed under the Act and SEBI (Listing Obligations and Disclosure Requirements) Act, 2015.

Mr. Sudhir Jain fulfils the conditions for his reappointment as an Independent Director as specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He holds valid registration certificate with databank of Independent Directors.

Mr. Sudhir Jain is not debarred from holding the office of Director by virtue of any SEBI order or any such authority.

Pursuant to Regulation 17(IC) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the listed Company shall ensure that approval of

shareholders for appointment of a person on the Board of Directors is taken at next general meeting or within a period of three months from the date of appointment, whichever is earlier.

As per Reg. 25(2A) of Listing Regulations, the appointment, re-appointment or removal of an Independent Director of a listed Company shall be subject to the approval of shareholders by way of a special resolution.

He has experience of administering business operations.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to avail the services of Mr. Sudhir Jain as an Independent Director.

Details of his profile and other information as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by ICSI is provided in **Annexure-I** to this Notice.

The Board recommends the Special Resolution set out at Item No. 5 of the notice for approval by the members.

Except Mr. Sudhir Jain, no other Director, Key Managerial Personnel and their relatives are in anyway concerned or interested financially or otherwise in said special resolution set out at Item No. 5 of this notice.

**ANNEXURE I TO THE NOTICE**

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

<b>Name</b>	Mr. Subhash Sapra	Mr. Sumit Bansal	Mr. Man Singh Tosaria	Mr. Sudhir Jain
<b>Director Identification Number (DIN)</b>	00241940	07449864	00265138	06703181
<b>D.O.B.</b>	21/12/1948	30.09.1989	24.10.1945	06.02.1954
<b>Brief Resume including experience</b>	He is a Graduate and have experience of five decades in Business Management	He is Post Graduate and have experience of more than seven years in Corporate Governance and Corporate laws	He is Graduate and have rich experience of management of Companies	He is Graduate and have experience of administration operations.
<b>Expertise in specific area</b>	He has expertise in Finance Business and Business Management,	He has expertise in Corporate governance matters, and Legal affairs.	He has rich experience of managing .Companies.	He has expertise in Business administration.
<b>Date of First appointment on the Board of the Company</b>	08/07/1980	29.11.2022	24.08.2018	24.08.2018
<b>No. of Equity Shares held as on 31<sup>st</sup> March, 2019</b>	450500	0	100	0
<b>Remuneration last drawn by such person, if any</b>	Rs.10,000/- p.a.	N.A.	N.A.	N.A.
<b>No. of Meetings of the Board attended during the year</b>	8	5	5	5



<b>Terms and Conditions of Appointment</b>	He was appointed as a Managing Director w.e.f. 30.03.2015	He has been appointed as the Independent Director the company.	He has been appointed as the Independent Director the company.	He has been appointed as the Independent Director the company.
<b>List of Directorship held in other listed companies</b>	Nil	Nil	Nil	Nil
<b>Chairman/Member of the Committees of the Board of Directors of other listed Company</b>	Nil	Nil	Nil	Nil
<b>Names of Listed Companies in which the person is Chairman/Member of Committees of the Board</b>	Nil	Nil	Nil	Nil
<b>Names of Listed Companies from which the person has resigned in past three years</b>	Nil	Nil	Nil	Nil
<b>Relationship with Directors and KMP's</b>	He is Husband of Mrs. Neera Sapra, Chief Financial Officer & Director of the Company.	He is not related to any Director and KMP pf the company.	He is not related to any Director and KMP pf the company.	He is not related to any Director and KMP pf the company.
<b>In case of Independent Directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	N.A.	Understanding of Corporate Governance is required and through Board procedures, he will meet such requirements.	Understanding of Corporate Governance is required and through Board procedures, he will meet such requirements.	Understanding of Corporate Governance is required and through Board procedures, he will meet such requirements.

# HINDUSTAN AUTO FINANCE LIMITED

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

E-Mail: [hindaf1980@gmail.com](mailto:hindaf1980@gmail.com), CIN: L65910DL1980PLC010617

Website: [www.hindaf.in](http://www.hindaf.in)

## BOARD'S REPORT

### To The Members,

Your Directors are pleased to present to the valued stakeholders, the 43<sup>rd</sup> Annual Report of M/s Hindustan Auto Finance Limited along with the Audited Financial Statements of the Company for the Year ended 31<sup>st</sup> March, 2023.

### FINANCIAL HIGHLIGHTS- AT A GLANCE

#### ➤ Overall Performance of your Company

- During the financial year 2022-23, the expenses of the Company increased due to which the Company had incurred a net loss of Rs. 5,36,238 as compared to net profit of Rs. 7,191 during the financial year 2021-22.

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

PARTICULARS	Amount (Rs. In Lakhs)	
	2022-23	2021-22
Income from Business Operations	15.108	4.93
Other Income	-	-
<b>Total Income</b>	<b>15.108</b>	<b>4.93</b>
Less: Expenditure except Depreciation	20.456	4.83
<b>Profit/Loss before Interest, Depreciation and Tax</b>	<b>-5.348</b>	<b>0.10</b>
Less: Interest and other Financial Charge(s)	-	-
<b>Profit/Loss before Depreciation and Tax</b>	<b>-5.348</b>	<b>0.10</b>
Less: Depreciation	0.00	0.01
<b>Profit/Loss before Tax</b>	<b>-5.348</b>	<b>0.09</b>
Less: Tax Expense	0.014	0.02
Add: Deferred Tax Asset	-	-
<b>Net Profit/Loss after Tax</b>	<b>-5.362</b>	<b>0.07</b>

Earnings per share:		
Basic	0.00	0.0021
Diluted	0.00	0.0021

### **STATE OF COMPANY'S AFFAIRS**

During the financial year 2022-23, the Company incurred a net loss of Rs. 5,36,283/- as compared to net profit of Rs. 7,191/- in financial year 2022-23.

### **DIVIDEND**

To conserve the financial resources, the company has not recommended any dividend in the financial year ended March 31, 2023.

### **CHANGE IN NATURE OF BUSINESS**

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

### **RESERVES**

The Board proposed to transfer the entire loss of Rs.5,36,283/- 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**

During the year under review, the Company has not issued or allotted any equity shares with or without differential rights.

#### **Authorised Share Capital:**

During the year under review, there was no change in Authorized Share capital of the Company. The Authorized Share Capital of the Company is Rs. 6,00,00,000 divided into 6000000 equity shares of Rs. 10 each.

### **Issued, Subscribed & Paid-up Capital:**

During the year under review, there was no change in Issued, Subscribed and Paid-up Capital of the Company. The present Paid-up Capital of the Company is Rs. 3,50,28,000 divided into 3502800 equity shares of Rs. 10 each.

### **ANNUAL RETURN**

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for the financial year 2022-23 is available on the website of the company viz. [www.hindaf.in](http://www.hindaf.in) and can be accessed through link [https://hindaf.in/User/view\\_desk/32](https://hindaf.in/User/view_desk/32).

### **SUBSIDIARY / ASSOCIATE/ JOINT VENTURES COMPANIES**

The Company does not have any Subsidiary, Joint Venture or Associate Companies during the financial year ended 2022-23.

### **LISTING**

The shares of the Company are listed at Metropolitan Stock Exchange of India (“MSEI”), however, the Company is suspended by MSEI w.e.f. 18.07.2019. The listing fees for the financial year 2022-23 has been paid to MSEI. The ISIN of the Company is INE806Q01018.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

#### **Constitution of the Board:**

As on 31<sup>st</sup> March, 2023, the Board comprises following directors:

Name of Director	Category cum Designation	Date of Appointment at current term & designation	Total Directorship	No. of Committee		No. of Shares held as on March 31, 2022
				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

Mr. Man Singh Tosaria	Director	24/08/2018	1	3	0	600
Mr. Sudhir Jain	Director	24/08/2018	1	3	3	-
Mr. Paritosh Kumar Bansal*	Director	07/01/2021	3	3	0	-
Mr. Sumit Bansal**	Director	29/11/2022	1	0	0	-

<sup>1</sup> Excluding LLPs, Section 8 Company & Struck off Companies

<sup>2</sup> Committee includes Audit Committee and Stakeholders Relationship Committees across all Public Companies.

\*Mr. Paritosh Kumar Bansal has resigned from the directorship of the company w.e.f. 01.07.2023.

\*\* Mr. Sumit Bansal has been appointed as Additional (Independent) Director of the Company w.e.f. November 29, 2022.

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. As on 31<sup>st</sup> March, 2023, the Board of Directors comprises of 6 (Six) Directors out of which 1 (One) is Executive Directors, 1 (One) is Non-Executive Director and 4 (four) are Independent Directors.

None of the Directors of Board is a member of more than ten Committee or Chairman of more than five committees across all the public companies in which they are Director.

### **Directors retire by Rotation**

Pursuant to Section 152 of the Companies Act, 2013 and in accordance with Articles of Association of the Company, Mr. Subhash Sapra, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors recommends his 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 as Director is annexed to the Notice convening the 43<sup>rd</sup> Annual General Meeting.

## Changes during the year

During the financial year 2022-23, the Board of Directors based on the recommendations of Nomination and Remuneration Committee appointed Mr. Sumit Bansal as the Additional (Non-Executive Independent) Director of the company w.e.f. November 29, 2022

## Key Managerial Personnel

During the financial year 2022-23, the Board of Directors in its meeting held on September 15, 2022 appointed Mr. Rishabh Aggarwal as a Company Secretary and Compliance Officer of the Company w.e.f. October 01, 2022.

As on March 31, 2023, following are the Key Managerial Personnels of the Company:

S.No.	Name	Designation
1.	Mr. Subhash Sapra	Managing Director
2.	Mrs. Neera Sapra	Director & Chief Financial Officer
3.	Mr. Rishabh Aggarwal	Company Secretary & Compliance Officer

## **DECLARATION OF INDEPENDENCE GIVEN BY INDEPENDENT DIRECTORS & ADHERENCE TO THE COMPANY'S CODE OF CONDUCT FOR INDEPENDENT DIRECTORS**

All Independent Directors have confirmed to the Board 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, in the opinion of the Board, the Independent Directors fulfil the conditions specified in Listing Regulations and they are independent of the management. All the Independent Directors have affirmed that they have adhered and complied with the Company's Code of Conduct for Independent Directors prescribed in Schedule IV to the Act.

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.

It may be noted that all the Independent Directors on the Board of the Company as on March 31, 2023 have been registered in the data bank of Independent Directors as per Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Further, in terms of Section 150 of the Companies Act, 2013 read with the Companies (Appointment & Qualification of Directors) Rules, 2014, Mr. Paritosh Kumar Bansal and Mr. Sumit Bansal has passed the online proficiency self-assessment test and Mr. Sudhir Jain and Mr. Man Singh Tosaria are exempted from undertaking online self-assessment test.

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 eight times during the financial year ended 31<sup>st</sup> March, 2023 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. 10.05.2022, 11.08.2022, 15.09.2022, 29.11.2022, 14.02.2023, 23.02.2023, 07.03.2023, 15.03.2023.

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	8	8
2.	Neera Sapra	8	8
3.	Man Singh Tosaria	8	8
4.	Paritosh Kumar Bansal	8	8
5.	Sudhir Jain	8	8
6.	Sumit Bansal	5	5

### **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, 2023, 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.

### **A. Meetings during the year**

During the year, the Audit Committee of the Company met 5 (five) times viz. 10.05.2022, 11.08.2022, 11.11.2022, 14.02.2023 and 23.02.2023.

### **B. Composition and Attendance of Audit Committee as on March 31, 2023**

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 2022-23 are detailed below:

<b>S.No.</b>	<b>Name</b>	<b>Category</b>	<b>Designation</b>	<b>No. of Committee Meetings held</b>	<b>No. of Committee Meetings Attended</b>
1.	Sudhir Jain	Independent Director	Chairman	5	5
2.	Man Singh Tosaria	Independent Director	Member	5	5
3.	Paritosh Kumar Bansal	Independent Director	Member	5	5

## **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, the Nomination and Remuneration Committee members met twice 15.09.2022, 29.11.2022.

### **B. Composition and Attendance of Nomination and Remuneration Committee as on March 31, 2023.**

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 2022-23 are detailed below:



S. No.	Name	Category	Designation	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Sudhir Jain	Independent Director	Chairman	2	2
2.	Man Singh Tosaria	Independent Director	Member	2	2
3.	Paritosh Kumar Bansal	Independent Director	Member	2	2

### **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 10.05.2022, 11.08.2022, 11.11.2022 and 14.02.2023.

#### **B. Composition and Attendance of Stakeholders Relationship Committee as on March 31, 2023.**

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 2022-23 are detailed below:

S. No.	Name	Designation	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Paritosh Kumar Bansal	Independent Director	Chairman	4	4
2.	Man Singh Tosaria	Independent Director	Member	4	4
3.	Sudhir Jain	Independent Director	Member	4	4

### **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 complaint pertaining to the Company was received under the Whistle Blower Policy/Vigil Mechanism

The said policy is available on the Company's website and can be accessed through the link [https://hindaf.in/User/view\\_desk/23](https://hindaf.in/User/view_desk/23).

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

In terms of 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 09<sup>th</sup> March, 2023 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](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 and same can be accessed through link [https://hindaf.in/User/view\\_desk/23](https://hindaf.in/User/view_desk/23).

## **AUDITORS**

### **A. STATUTORY AUDITOR**

M/s Luthra & Associates, Chartered Accountants (Firm Registration No. 031997N) carried out the Statutory Audit of the Company for the financial year ended 2022-23. There were no adverse remarks or qualifications 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.

### **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 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 31<sup>st</sup> March, 2023 was conducted by M/s Anju Bansal & Associates, Company Secretaries, and the report thereon is annexed herewith as “Annexure- A”.

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

- 1. The Company has not complied with Secretarial Standard-2, issued by the Institute of Companies Secretaries of India.*
- 2. Till September 30, 2022, the Company has not appointed a Whole Time Company Secretary pursuant to provisions of Section 203 of the Companies Act, 2013.*
- 3. The Annual General Meeting to be held in 2019, 2020, 2021 and 2022 was conducted beyond prescribed time period and that too without the approval of Registrar of Companies. Thereafter, the Company has not filed the application for compounding of respective Annual General Meetings.*
- 4. The Company did not comply with provisions of Regulation 6 during financial year 2022-23 till September 30, 2022. The Company filed the Statement of Investor's Complaints as per Reg. 13(3)*

*of SEBI (Listing Obligations and Disclosure Requirements) Regulations (“Listing Regulations”) for the quarter ended September, 2022 and December 2022 timely except of Quarter ended June, 2022 and March, 2023 which were filed beyond prescribed period. The Shareholding pattern as per Reg. 31(1)(b) of Listing Regulations for the quarter ended December, 2022 was filed timely except of Quarter ended June, 2022, September, 2022 and march, 2023 which were filed beyond prescribed period. The declaration of non-applicability of Corporate Governance report as per Listing Regulations for the quarter ended September, 2022 and December, 2022 has been filed timely except for the quarter ended June, 2022 and March, 2023. The certificate as per Reg. 7(3) and Reg. 40(9) & (10) of Listing Regulations has been filed beyond prescribed period. The outcome of Board Meeting as per Reg. 30 of Listing Regulations has been filed beyond prescribed period. The Financial results as per Reg. 33 of Listing Regulations has been not filed during the period review. The Company has not filed Outcome of Annual General Meeting (‘AGM’) and voting results of AGM held during the period under review. The Company did not take approval of shareholders timely for appointment of Mr. Sumit Bansal as an Independent Director as per Reg. 17 of Listing Regulations. The Company did not file the intimation of Board Meeting as per Reg. 29 of Listing Regulations except intimation dated February 03, 2023.*

5. *The Company has not filed certificate as per Reg. 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2018 for the quarter ended June, 2022, September, 2022 and December, 2022 during the period under review.*
6. *The Company has filed the reconciliation of Share capital Audit report as per Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 timely for the quarter ended December 31, 2022 except of Quarter ended, June, 2022, September, 2022 and March 31, 2023 which has been filed beyond prescribed period during the period under review.*
7. *The Trading of equity shares of the Company is suspended on the Metropolitan Stock Exchange of India, w.e.f. 18.07.2019, due to various non-compliances. The Company is currently under the process of revocation of the above suspension.*

Reply of Management in respect of observations made by the Secretarial Auditors in their report:

1. In respect of observation pertaining to ***non-compliance with provisions of Secretarial Standard-2 issued by Institute of Company Secretaries of India***, it is replied by the management that Company did not have a Whole Time Company Secretary and other professional till September 30, 2022, who could have complied with applicable provisions of Secretarial Standard-2.
2. In respect of observation made pertaining to ***non-appointment of Whole Time Company Secretary pursuant to Section 203 of the Companies Act, 2013 till 30.09.2022***, it is replied by the management, that the Company was not in a position to pay the salary to the Company Secretary
3. In respect of observation made pertaining to ***conducting of Annual General Meeting to be held in 2019, 2020, 2021 and 2022 beyond prescribed time period and that too without the approval of Registrar of Companies and thereafter, the Company has not filed the application for compounding of respective Annual General Meetings***, it is replied by the management that

Company did not have a Company Secretary and other professional till September 30, 2022, who could have assisted in conducting the Annual General Meeting timely, however the said AGM's have been conducted after the end of financial year 2022-23 and the application for compounding in respect of conducting of Annual General meetings beyond prescribed time period will be filed by the Company.

4. In respect of observations made pertaining to ***filing of some of the Statements of Investors Complaints as per Reg. 13(3), and declarations of non-applicability as per 27(2), Shareholding patterns as per 31(1)(b) for few quarters beyond prescribed period***, it is replied by the management that Company did not had a Company Secretary till 30.09.2022. Further observation relating to ***non-filing of Quarterly results of quarter ended June 30, 2022 and September 30, 2022 as per 33***, it is replied by the management that Company did not have a Whole Time Company Secretary till 30.09.2022 and other professional who could have ensure the timely filing. The results of quarter ended December 31, 2022 and March 31, 2023 were not filed due to inadvertence. In respect of observation related to ***non-filing of outcome of meeting of Board of Directors, and intimation of Board meeting except 03.02.2023***, it is replied by the management that Company did not had a Whole Time Company Secretary till 30.09.2022 and other professional who could have file them timely. In respect of observation pertaining to ***non-obtaining the approval of shareholders for the appointment of Mr. Sumit Bansal***, it is replied by the management, that due to lack of awareness of updated SEBI (Listing Obligations and Disclosure Regulations), the same was not taken. In respect of observation pertaining to ***non-filing of the outcome of AGM and voting results of AGMs held during the year***, it is replied by the management that the same could not filed due to inadvertence.
5. In respect of observations made pertaining to ***non-filing of certificate as per Reg. 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2018 for the quarter ended June, 2022, September, 2022 and December, 2022 during the period under review***, it was replied by the management that Company did not have a Whole Time Company Secretary till 30.09.2022 and other professional who could have complied with said compliances.
6. In respect of observations made pertaining to filing of ***the reconciliation of Share capital Audit report as per Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 for the quarter ended June, 2022, September, 2022 and March 31, 2023 beyond prescribed period during the period under review***, it was replied by the management that Company did not have a Whole Time Company Secretary till 30.09.2022 and other professional who could have file the said reports of the quarter ended June, 2022 and September, 2022 timely. The said reports for the quarter ended March 31, 2023 was not filed timely due to inadvertence.
7. In respect of observation pertaining to ***suspension of the Trading of equity shares of the Company from Metropolitan Stock Exchange of India, w.e.f. 18.07.2019, due to various non-compliances***, it is replied by the management, that the Company is currently under the process of revocation of the above suspension.

## **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 2022-23, company did not enter into any contracts or arrangements with any related party. Form 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, 2023 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.**

During the financial year 2022-23, 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.

### **BOARD DIVERSITY**

The Board comprises of adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The Directors are persons of eminence in areas such as finance, accounting and corporate law etc. bring with them experience and skills which add value to the performance of the Board. The Directors are selected purely on the basis of merit with no discrimination on race, colour, religion, gender or nationality.

### **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 are 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.

### **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, 2022 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.

### **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 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-C** 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-D**.

### **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 Reporting were operating effectively as on 31<sup>st</sup> March, 2023 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.



## **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](https://hindaf.in/User/view_desk/23).

## **DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONGWITH THEIR STATUS AT THE END OF FINANCIAL YEAR.**

During the financial year under review, no application was made or any proceedings under the Insolvency and Bankruptcy Code, 2016 was pending.

## **DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH REASONS THEREOF:**

Not Applicable

## **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**.

## **GENERAL**

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review

- a) Voluntary revision of Financial Statement or Board Reports
- b) Issue of equity shares with differential rights as to dividend, voting and otherwise.
- c) Managing Director and Whole Time Directors have received the remuneration within a regulatory limit of the Companies Act, 2013.

## **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.

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

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

**Date: 17.08.2023  
Place: New Delhi**



# ANJU BANSAL & ASSOCIATES COMPANY SECRETARIES

Office : B-299, Ganga Sagar, Ganga Nagar, Meerut UP-250001  
Mob. 9456976019, 8171955114 E-mail : anjubns129@gmail.com

## Annexure-A

### MR-3

#### SECRETARIAL AUDIT REPORT

**FORTHEFINANCIALYEARENDED31STMARCH,2023**

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

To,  
The Members,  
**Hindustan Auto Finance Limited,**  
Cabin No. DA-8, 2<sup>nd</sup> 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 **31<sup>st</sup> March, 2023** complied with the statutory provisions listed here under 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 here in after:

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 on **31<sup>st</sup> March, 2023** 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 except Secretarial Standard-2,,
- 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:

- a. *Till September 30, 2022, the Company has not appointed a Whole Time Company*



- Secretary pursuant to provisions of Section 203 of the Companies Act, 2013.
- b. The Annual General Meeting to be held in 2019, 2020, 2021 and 2022 was conducted beyond prescribed time period and that too without the approval of Registrar of Companies. Thereafter, the Company has not filed the application for compounding of respective Annual General Meetings.

We further report that Company has not complied with provisions of following SEBI Regulations:

2. The Company did not comply with provisions of Regulation 6 during financial year 2022-23 till September 30, 2022. The Company filed the Statement of Investor's Complaints as per Reg. 7(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations ("Listing Regulations") for the quarter ended September, 2022 and December 2022 timely except of Quarter ended June, 2022 and March, 2023 which were filed beyond prescribed period. The Shareholding pattern as per Reg. 31(1)(b) of Listing Regulations for the quarter ended December, 2022 was filed timely except of Quarter ended June, 2022, September, 2022 and March, 2023 which were filed beyond prescribed period. The declaration of non-applicability of Corporate Governance report as per Listing Regulations for the quarter ended September, 2022 and December, 2022 has been filed timely except for the quarter ended June, 2022 and March, 2023. The certificate as per Reg. 7(3) and Reg. 40(9) & (10) of Listing Regulations has been filed beyond prescribed period. The outcome of Board Meeting as per Reg. 30 of Listing Regulations has been filed beyond prescribed period. The Financial results as per Reg. 33 of Listing Regulations has been filed beyond prescribed period. The Company has not filed Outcome of Annual General Meeting ('AGM') and voting results of AGM held during the period under review. The Company did not take approval of shareholders timely for appointment of Mr. Sumit Bansal as an Independent Director as per Reg. 17 of Listing Regulations. The Company did not file the intimation of Board Meeting as per Reg. 29 of Listing Regulations except intimation dated February 03, 2023.
3. The Company has not filed certificate as per Reg. 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2018 for the quarter ended June, 2022, September, 2022 and December, 2022 during the period under review.
4. The Company filed the reconciliation of Share capital Audit report as per Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 timely for the quarter ended December 31, 2022 except of Quarter ended, June, 2022, September, 2022 and March 31, 2023 which has been filed beyond prescribed period during the period under review.
5. The trading of equity shares of the company is suspended, on the Metropolitan Stock Exchange of India, w.e.f. 18.07.2019, due to various non-compliances. The company is currently under to process of revocation of the above suspension.





We further report that during the period under review, the Board of Directors of the Company was duly constituted with 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.

Decisions of Board/Committees were carried through majority. We are informed that there were 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**

**Anju Bansal**

**Practicing Company Secretary**

**Mem. No. 12334, C.O.P. No. 17594, P.R.C.NO-2865/2022**

**Place: Meerut**

**Date: 17.08.2023**

**UDIN - F012334E000884471**

This report is to be read with our letter of even date which is annexed as 'Annexure-1' and forms an integral part of this report.



**Annexure-1**

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, P.R.C. NO-2865/2022**

**Place: Meerut**

**Date:17.08.2023**





**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 2022-23.

- 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: 17.08.2023  
Place: New Delhi**

**Annexure-C**

**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	0.11
2.	Mrs. Neera Sapra*	Director & Chief Financial Officer	0
3.	Mr. Man Singh Tosaria	Independent Director	0
4.	Mr. Sudhir Kumar Jain	Independent Director	0
5.	Mr. Paritosh Kumar Bansal	Independent Director	0
6.	Mr. Sumit Bansal	Independent Director	0

\*Mrs. Neera Sapra has been paid salary in the capacity of Chief Financial Officer.

**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 & Chief Financial Officer	0.00%
3.	Mr. Rishabh Aggarwal**	Company Secretary	N.A.

\* Mrs. Neera Sapra was paid salary in the capacity of Chief Financial Officer

\*\* Mr. Rishabh Aggarwal was appointed as a Company Secretary w.e.f. October 01, 2022, therefore percentage increase in his remuneration has not been calculated.

**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 10.67%.

**d) The number of permanent employees on the rolls of the Company: 5 employees as on March 31, 2023.**

**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 35.56%. 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: 17.08.2023  
Place: New Delhi**

**ANNEXURE - D**

**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, 2023.**

**Name of top ten employees in terms of remuneration drawn:**

<b>Employee Name</b>	<b>Designation</b>	<b>Qualification and experience of employee</b>	<b>Date of commencement of employment</b>	<b>Remuneration/Salary received</b>	<b>Age</b>	<b>Last employment held by employee.</b>
Mr. Suresh Chand Sharma	Senior Accountant	Graduate & exp. of more than 30 years	09.08.1994	Rs.2,05,000/-	63	N.A.
Mr. Rishabh Aggarwal	Company Secretary	Post Graduate and exp. Of 1 year	01.10.2022	Rs.1,65,000/-	28	N.A.
Mr. Amit Kumar	Clerk	Higher Secondary	01.01.2020	99,600	28	N.A.
Mrs. Neera Sapra	Director & Chief Financial Officer	Graduate and exp. of more than 20 years	01.01.1999	90,000	66	N.A.
Mr. Subhash Sapra	Managing Director	Graduate, and exp. of more than 40 years	08.07.1980	Rs. 10,000	75	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, Mr. Suresh Chand Sharma, Senior Accountant, Mr. Rishabh Aggarwal, Company Secretary and Mr. Amit Kumar 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. 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: 17.08.2023  
Place: New Delhi**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **OVERVIEW OF INDIAN ECONOMY**

In the post pandemic period, Indian economy has demonstrated remarkable resilience by replacing external stimuli with domestic ones. This resulted in a robust recovery in economic activity, particularly in private sector consumption, and increased government focus on infrastructure development. Despite global challenges and tighter domestic monetary policy, India's growth momentum remained steady. Thus, showcasing the underlying strength of the country's economy in recovering and revitalising growth drivers.

### **GLOBAL ECONOMIC CONDITIONS**

The prolonged geopolitical tension between Russia and Ukraine has adversely affected global trade and crude oil prices, weighing heavily on raw material prices. As a cascading effect, economies across the world have witnessed a tighter inflationary grip.

### **DOMESTIC ECONOMIC CONDITIONS**

According to data released by the National Statistical office (NSO), India's real GDP grew by 13.1% in the quarter ending June 30, 2022. Although the growth rate in Q1 of FY 2022-23 was lower than the RBI's estimated 16.2%. it was mainly driven consumption which led to revival in domestic demand, particularly in the services sector.

(Source: NSO estimates, RBI Estimates, MOSPI)

India's real GDP grew by 6.2% in YoY in Q2 of FY 2022-23, driven by robust domestic demand and steady investment activity. Sequentially, India's real GDP increased by 3.6% from Q1 to Q2 of FY 22-23, indicating a significant release of pent-up demand in the economy.

(Source: [https://www.mospi.gov.in/sites/default/files/press\\_releasePressNoteQ4\\_FY2022-23\\_31may23.pdf](https://www.mospi.gov.in/sites/default/files/press_releasePressNoteQ4_FY2022-23_31may23.pdf))

India's economic growth decelerated to 4.5% in Q3 of FY 2022-23, compared to 5.2% in the same period of the previous year. This happened due to fading of the pandemic-included base effect. The high inflation rate led to the RBI increasing its benchmark repo rate by 250 basis points since May 2022 till February 2023.

(Source: [https://timesofindia.indiatimes.com/business/indiabusiness/indias-q3-gdp-at-4-4-economy-to-grow-at-7-in-fy23/](https://timesofindia.indiatimes.com/business/indiabusiness/indias-q3-gdp-at-4-4-economy-to-grow-at-7-in-fy23/articleshow/98306889.cms) articleshow/98306889.cms  
<https://www.indiabudget.gov.in/economicsurvey/doc/eschapter/> echap09.pdf  
<https://www.outlookindia.com/business/growth-premiumnews-244264>)

In the fourth quarter of FY 2022-23, the nation achieved a real GDP growth rate of 6.1% surpassing the Reserve Bank of India's earlier projection by 100 basis points. This positive outcome can be attributed primarily to significant progress in the agricultural and service sectors, which made notable contributions to the overall expansion of the economy.

## **COMPANY OVERVIEW**

Our Company is engaged in the business of leasing of finance, hire purchase etc. During the financial year 2022-23, the Company incurred a net loss of Rs. 5,36,283 as the expenses of the company has increased.

## **OUTLOOK**

India is expected to experience a slower real GDP growth (relative to FY 2022-23) of 6% in FY 2023-24 according to S&P Global ratings. The country has recovered quickly from the pandemic, and the growth in the upcoming year will be driven by robust domestic demand and increased capital investment. The Government has raised capital expenditure to offset the private sector's cautious stance on capital expenditure, supported by strong financials and high GST and direct tax collections. Nevertheless, global spills over, high inflation and aggressive monetary policies could hinder the steady growth trajectory. Given India's depending trade and financial linkages with advanced economies, caution is essential. India's growth cycle has exhibited a high degree of synchronization with advanced countries, and it is impossible to avoid the short-term consequences of a potential downturn.

## **INDUSTRY STRUCTURE AND DEVELOPMENT**

During economic crises, financial institution play a crucial role in promoting stability and implementing regulatory measures to support households and businesses. Ongoing geopolitical conflicts have been slowed countries post-pandemic recoveries and hastened the normalization of monetary and fiscal policies after years of unprecedented stimulus measures. In such situation, Financial Institutions have emerged as principal institutions providing credit financing to the unorganized and underserved sectors, playing a significant role in the Indian financial system.

The MSME sector will play a pivotal role in the growth of Financial Institutions in the country. Despite being one of the major contributors in the country's economy, the MSME sector is facing credit gap from the financial institutions. The total addressable market for MSME financing is Rs. 46.4 million with a CAGR of 13% in the MSME Credit. Only 15% of total addressable market is served by the formal institutions. The rationalization and consolidation of the MSME industry in India is a much needed process that is expected to bring a host of benefits to the sector.

## **OPPORTUNITIES AND THREATS**

### **Opportunities**

- Underserved retail and MSME Sector providing greater opportunities for NBFC's to grow
- Robust Working capital demand continues to remain poised.Optimistic Capital Markets
- Tax motivations by Government

- Growing digitalization and analytics enhancing lending efficiency.

### Threats

- Exposure to the abnormal Industry risk factors
- Entry of many players in the banking and non-banking operations creating stiff competition.
- Global economic turndown may cause market slowdown. Global geopolitical crises may affect the business scenario of the country

### SEGMENT-WISE PERFORMANCE

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

### RISK MANAGEMENT AND GOVERNANCE

Effective Risk Management is essential to the success and sustainability of any business. By integrating risk management into all of our activities, we ensure that we optimize the risk-return equation while adhering to all applicable laws, rules and regulations. This approach not only protects our Company from potential losses but also enhances its reputation as a reliable and responsible financial services provider. We recognize that risk management is not a one-time activity but an ongoing process that requires constant vigilance and adaptation to changing circumstances.

### DISCUSSION 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 highlighted below:

PARTICULARS	Amount (Rs. In Lakhs)	
	2022-23	2021-22
Income from Business Operations	15.108	4.93
Other Income	-	-
<b>Total Income</b>	<b>15.108</b>	<b>4.93</b>
Less: Expenditure except Depreciation	20.456	4.83
<b>Profit/Loss before Interest, Depreciation and Tax</b>	<b>-5.348</b>	<b>0.10</b>
Less: Interest and other Financial Charge(s)	-	-
<b>Profit/Loss before Depreciation and Tax</b>	<b>-5.348</b>	<b>0.10</b>
Less: Depreciation	0.00	0.01
<b>Profit/Loss before Tax</b>	<b>-5.348</b>	<b>0.09</b>



Less: Tax Expense	0.014	0.02
Add: Deferred Tax Asset	-	-
<b>Net Profit/Loss after Tax</b>	<b>-5.362</b>	<b>0.07</b>
Earnings per share:		
Basic	<b>0.00</b>	<b>0.0021</b>
Diluted	<b>0.00</b>	<b>0.0021</b>

## INTERNAL CONTROL SYSTEM

The Company has an adequate internal control system commensurate with its size and the nature of its business in order to achieve efficiency in operation and optimum utilization of resources. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

## HUMAN RESOURCE DEVELOPMENT

Human resources are valuable assets for any organization. The employees of the Company have extended a very productive cooperation in the efforts of the management to carry the Company to greater heights. The Company is giving emphasis to upgrade the skills of its human resources and continuous training down the line is a normal feature in the Company to upgrade the skills and knowledge of the employees of the Company.

## 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 is list of important financial ratios:

Particulars	FY-22-23	FY-21-22	% Change	Reason for variance
Debtors Turnover Ratio	7.99%	2.48%	221.90%	Increase in ratio is due to decrease in account receivables.
Inventory Turnover Ratio	NA	NA	NA	-
Interest Coverage Ratio	NA	NA	NA	-
Current Ratio	19.96	18.44	6.58%	Increase in ration is due to decrease in current liabilities.

Debt Equity Ratio	3.88%	1.61%	141.44%	Increase in ratio is due to decrease in shareholder's equity.
Operating Profit Margin (%)	-35.41%	1.79%	-2074.30%	Decrease is due to Decrease in earnings before taxes.
Net Profit Margin	-35.41%	1.46%	-2527.32%	Decrease is due to Decrease in net profits.
Debt Service Coverage Ratio	-56.60%	1.80%	-3248.57%	Decrease is due to Decrease in net profits.
Return on Equity (ROE)	-2.17%	0.03%	-76.18%	Decrease is due to Decrease in net profits.
Net Working Capital Turnover Ratio	08.02%	2.58%	210.73%	Increase is due to Increase in sales.
Return on Capital Employed	-2.20%	0.04%	-62.83%	Decrease is due to Decrease in EBIT and increase in capital employed.

### CAUTIONARY STATEMENT

Statement in this Report describing the Companies objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those either expressed or implied.

**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: 17.08.2023  
Place: New Delhi**

## **CHIEF FINANCIAL OFFICER CERTIFICATION**

We Subhash Sapra, Managing Director and Neera Sapra, being Chief Financial Officer of Hindustan Auto Finance Limited do hereby confirm and certify that:

1. We 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. We 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. We 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/-  
Subhash Sapra  
(Managing Director)  
DIN: 00241940**

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

**Date: 29.05.2023  
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, 2023.

**For Hindustan Auto Finance Limited,**

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

**Date: 29.05.2023  
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 2023, 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 2023, 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. We have nothing to report in this regard.

### **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, 2020 ('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, to the extent applicable.
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 financials 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 2023 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 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report 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 2023;
  - ii. Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
  - 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 2023;

For **Luthra & Associates**  
Chartered Accountants  
Firm's Registration No.: 031997N



**CA Shivam Luthra**  
Prop.  
Membership No.: 545739



Place: New Delhi  
Date: 29.05.2023



**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 2023**

**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.
- (d) The Company has not revalued its Property, Plant and Equipment during the year ended 31<sup>st</sup> March, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) In our opinion, the Company has no inventory.
- (b) Company has not been sanctioned any working capital limits from Banks or financial institution on the basis of security of current assets during the financial year.
- (iii) (a) 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) of the Order are not applicable.
- (b) The Company has not made investments, provided guarantees or security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties and hence not commented upon.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause (iii)(c) to (iii)(f) of the Order is not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has neither provided any loans to directors or to any other person in whom the director is interested or given any guarantee or provided any security in connection with loan under Section 185, nor given any loans and made investments under Section 186 of the Act, hence the provisions of Section 185 and 186 are not applicable to the Company.
- (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 (v) of the Order are not applicable.
- (vi) As informed to us, the maintenance of Cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act in respect of the activities carried out by the Company. Therefore, reporting under clause (vi) of the order is not applicable to the Company.



**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 2023**

(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)

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under Income Tax Act, 1961 (43 of 1961) as income during the year. Accordingly, the requirement to report on Clause (viii) of the Order is not applicable to the Company.

(ix) (a) 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.

(b) To the best of our knowledge, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not taken any term loan.

(d) According to the information and explanation to us, no funds raised on short term basis have been used for long term purposes by the Company.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associate companies.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) 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 (x)(a) of the Order are not applicable.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(b) No report under sub-section (12) of Section 143 of the Companies Act has been filed by the Auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.





**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 2023**

- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle blower complaints received by the Company during the year, hence reporting under clause (xi)(c) of the Order is not applicable to the Company.
- (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) (a) In our opinion, the Company has adequate internal control system commensurate with the size and the nature of its business.  
(b) The internal Audit reports of the Company for the period under audit have been considered by us.
- (xv) In our opinion during the year, the Company has not entered into any non-cash transactions with the directors or persons connected with its directors, and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause (xvi)(a) to clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on clause (xviii) of the Order is not applicable to the Company.
- (xix) According to information and explanations given to us and based on our examination of the records of the Company and financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditors knowledge of the Board of Directors and management plans, we were in the opinion that no material uncertainty exists as on the date of the audit report. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) In our opinion, the provisions of the Section 135 of the Companies Act, 2013 are not applicable to the Company and accordingly Clause (xx)(a) and Clause (xx)(b) is not applicable to the Company.

For **Luthra & Associates**  
Chartered Accountants  
Firm's Registration No.: 031997N

  
**CA Shivam Luthra**  
Prop.  
Membership No.: 545739



Place: New Delhi  
Date: 29.05.2023

**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 2023**

**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 2023, 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



**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 2023**

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 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Luthra & Associates  
Chartered Accountants  
Firm's Registration No.: 031997N

  
CA Shivam Luthra  
Prop.  
Membership No.: 545739



Place: New Delhi  
Date: 29.05.2023



# **Hindustan Auto Finance Limited**

Ind AS financial statements and related disclosures for year ended  
31st March 2023

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

Particulars	Notes	31 March, 2023	31 March, 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	0.49	0.49
Capital work in progress			
Other Intangible assets			
Intangible assets under development			
Financial assets			
i. Investments			
ii. Loans			
iii. Other financial assets	4	58.06	58.01
Other non-current assets			
<b>Total non-current assets</b>		<b>58.55</b>	<b>58.50</b>
<b>Current assets</b>			
Inventories			
Financial assets			
i. Investments			
ii. Trade receivables	5	181.39	196.78
iii. Cash and cash equivalents	6	14.16	5.24
iv. Bank balances other than (iii) above			
v. Loans			
vi. Other financial assets			
Current tax assets (Net)			
Other current assets	7	0.06	-
<b>Total current assets</b>		<b>195.61</b>	<b>202.02</b>
<b>Total assets</b>		<b>254.16</b>	<b>260.52</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	8	350.28	350.28
Other equity	9	(106.94)	(101.57)
<b>Total equity</b>		<b>243.34</b>	<b>248.71</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
i. Borrowings			
ii. Trade payables			
iii. Other financial liabilities	10	0.86	0.86
Employee benefit obligations			
Deferred tax liabilities (Net)			
<b>Total non-current liabilities</b>		<b>0.86</b>	<b>0.86</b>
<b>Current liabilities</b>			
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	9.45	4.00
Employee benefit obligations			
Other current liabilities	12	0.50	6.95
Provisions			
Current tax liabilities (Net)			
<b>Total current liabilities</b>		<b>9.95</b>	<b>10.95</b>
<b>Total liabilities</b>		<b>10.81</b>	<b>11.82</b>
<b>Total equity and liabilities</b>		<b>254.16</b>	<b>260.52</b>

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 Luthra & Associates**

Chartered Accountants  
FRN: 031997N

*(Signature)*  
(CA Shivam Luthra)

Prop.

M. No: 545739

UDIN: 23545739 B4P87D4531

Place: New Delhi

Date: 29.05.2023



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

*(Signature)*  
Subhash Sapra  
Managing Director  
DIN: 00241940

*(Signature)*  
Neera Sapra  
Director & Chief Financial Officer  
DIN: 00241941

*(Signature)*  
Rishabh Aggarwal  
Company Secretary & Compliance Officer  
M. No: A6924



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

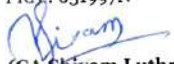
Particulars	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Income</b>			
Revenue from operations	13	15.11	4.93
Other income and other gains/(losses)		-	-
<b>Total income</b>		<b>15.11</b>	<b>4.93</b>
<b>Expenses</b>			
Cost of material consumed		-	-
Purchase of stock-in-trade		-	-
Employee benefit expenses	14	5.67	3.14
Finance Cost		-	-
Depreciation and amortisation expense	15	-	0.01
Other expenses	16	14.78	1.69
<b>Total expenses</b>		<b>20.46</b>	<b>4.84</b>
<b>Profit before tax</b>		<b>(5.35)</b>	<b>0.09</b>
<b>Income tax expense</b>			
Current tax :-	17		
Current Year		-	-
Earlier Years		0.01	0.02
Deferred tax :-		-	-
<b>Profit for the year</b>		<b>(5.36)</b>	<b>0.07</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
-Remeasurements of post-employment benefit obligations		-	-
-Income tax relating to these items		-	-
<b>Total Other Comprehensive Income for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>(5.36)</b>	<b>0.07</b>
<b>Earnings per equity share:</b>			
Basic earnings per share	25	(0.1531)	0.0021
Diluted earnings per share	25	(0.1531)	0.0021

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 Luthra & Associates**

Chartered Accountants  
FRN : 031997N

  
**(CA Shivam Luthra)**  
Prop.

M. No : 545739  
UDIN : 235457398419104121

Place: New Delhi

Date: 29.05.2023



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

  
**Subhas Sapra**  
Managing Director  
DIN : 00241940

  
**Neera Sapra**  
Director & Chief Financial Officer  
DIN : 00241940

  
**Rishabh Aggarwal**  
Company Secretary and Compliance Officer  
M. No : A69201





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

Particulars	31 March, 2023	31 March, 2022
<b>A. Cash flow from operating activities</b>		
Profit before tax	(5.35)	0.09
Adjustments for:		
Depreciation and amortisation expense	-	0.01
<b>Operating profit before working capital changes</b>	<b>(5.35)</b>	<b>0.10</b>
<b>Change in operating assets and liabilities</b>		
(increase) in other non-current financial assets	(0.05)	-
Decrease in trade receivables	15.40	3.66
(Increase) in other current assets	(0.06)	-
(Decrease) in other current liabilities	(6.45)	(0.13)
Increase in other current financial liabilities	5.45	
<b>Cash generated from operations</b>	<b>8.93</b>	<b>3.64</b>
Income taxes (paid)/Refund	(0.01)	(0.02)
<b>Net cash inflow/(outflow) from operating activities (A)</b>	<b>8.92</b>	<b>3.62</b>
<b>B. Cash flows from investing activities</b>		
Decrease in other non-current assets	-	0.05
<b>Net cash inflow from investing activities (B)</b>	<b>-</b>	<b>0.05</b>
<b>C. Cash flows from financing activities</b>		
<b>Net cash outflow from financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>8.92</b>	<b>3.67</b>
Cash and cash equivalents at the beginning of the financial year	5.24	1.57
<b>Cash and cash equivalents at end of the year</b>	<b>14.16</b>	<b>5.24</b>
<b>Reconciliation of cash and cash equivalent as per the cash flow statement:</b>		
Cash and Cash equivalent as per above comprise the following:		
Cash and Cash equivalent (Note 6)	14.16	5.24
<b>Balance as per statement of cash flows</b>	<b>14.16</b>	<b>5.24</b>

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 Luthra & Associates**

Chartered Accountants

FRN : 031997N



(CA Shivam Luthra)

Prop.

M. No : 545739

UDIN : 23545739B4PQ7D4531

Place: New Delhi

Date: 29.05.2023



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



**Subhash Sapra**  
Managing Director  
DIN : 05241940



**Neera Sapra**  
Director & Chief Financial Officer  
DIN : 00241941



**Rishabh Aggarwal**  
Company Secretary and Compliance Officer  
M. No : A69201



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

**1) Equity Share Capital**

	Notes	Amounts
As at 1 April 2021		350.28
Changes in equity share capital during the year	8	-
<b>As at 31 March 2022</b>		<b>350.28</b>
Changes in equity share capital during the year	8	-
<b>As at 31 March 2023</b>		<b>350.28</b>

**II) Other equity**

	Notes	Reserves and surplus		
		Other Reserves	Retained earnings	Total
<b>Balance as at 1 April 2021</b>				
Profit for the period	9	7.73	(109.37)	(101.65)
Other comprehensive income	9	-	0.07	0.07
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>0.07</b>	<b>0.07</b>
<b>Transactions with owners in their capacity as owners:</b>				
Dividend paid		-	-	-
Dividend distribution tax		-	-	-
<b>Balance as at 31 March 2022</b>		<b>7.73</b>	<b>(109.30)</b>	<b>(101.57)</b>
<b>Balance as at 31 March 2022</b>				
Profit for the period	9	7.73	(109.30)	(101.57)
Other comprehensive income	9	-	(5.36)	(5.36)
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>(5.36)</b>	<b>(5.36)</b>
<b>Transactions with owners in their capacity as owners:</b>				
Dividend paid		-	-	-
Dividend distribution tax		-	-	-
<b>Balance as at 31 March 2023</b>		<b>7.73</b>	<b>(114.66)</b>	<b>(106.94)</b>

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 Luthra & Associates**  
 Chartered Accountants  
 FRN: 031997N

(CA Shivam Luthra)

Prop.

M. No : 545739

UDIN : 23545739 B4P8784531

Place: New Delhi

Date: 29.05.2023



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

Subhash Sapra

Managing Director

DIN : 00241940

Neera Sapra

Director & Chief Financial Officer

DIN : 00241941

Rishabh Aggarwal

Company Secretary and Compliance Officer

M. No : A69201



3 Property, plant and equipment

Asset Description	Gross Carrying Amount			Accumulated Depreciation and Amortisation			Net Carrying Amount As at 31 March, 2023
	As at 1 April, 2022	Additions during the year	Sales/disposal during the year	As at 1 April, 2022	Depreciation For the year	Sales/ Adjustments during the year	
Furniture and fixtures	0.01	-	-	-	-	-	0.01
Office equipment	0.55	-	-	0.07	-	-	0.48
<b>Total</b>	<b>0.56</b>	<b>-</b>	<b>-</b>	<b>0.07</b>	<b>-</b>	<b>-</b>	<b>0.49</b>

Asset Description	Gross Carrying Amount			Accumulated Depreciation and Amortisation			Net Carrying Amount as at 31 March, 2022
	As at 1 April, 2021	Additions during the year	Sales/disposal during the year	As at 1 April, 2021	Depreciation For the year	Sales/ Adjustments during the year	
Furniture and fixtures	0.01	-	-	-	-	-	0.01
Office equipment	0.55	-	-	0.06	0.01	-	0.48
<b>Total</b>	<b>0.56</b>	<b>-</b>	<b>-</b>	<b>0.06</b>	<b>0.01</b>	<b>-</b>	<b>0.49</b>

Notes:

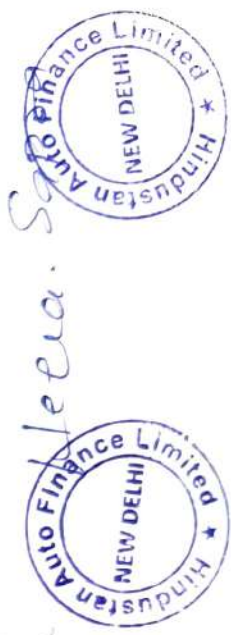
- i. No depreciation if remaining useful life is negative or zero.
- ii. Depreciation is calculated on pro-rata basis in case assets is purchased/sold during the current financial year.
- iii. If above assets is used for any time during the year for double shift, the depreciation will increase by 50% 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 & 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 Carrying Amount As at 31 March, 2023
	As at 1 April, 2022	Additions during the year	Sales/disposal during the year	As at 1 April, 2022	Depreciation For the year	Sales/ Adjustments during the year	
Furniture and fixtures	3.60	-	-	3.59	-	-	0.01
Office equipment	9.56	-	-	9.08	-	-	0.48
<b>Total</b>	<b>13.16</b>	<b>-</b>	<b>-</b>	<b>12.67</b>	<b>-</b>	<b>-</b>	<b>0.49</b>

Asset Description	Gross Carrying Amount			Accumulated Depreciation and Amortisation			Net Carrying Amount as at 31 March, 2022
	As at 1 April, 2021	Additions during the year	Sales/disposal during the year	As at 1 April, 2021	Depreciation For the year	Sales/ Adjustments during the year	
Furniture and fixtures	3.60	-	-	3.59	-	-	0.01
Office equipment	9.56	-	-	9.07	0.01	-	0.48
<b>Total</b>	<b>13.16</b>	<b>-</b>	<b>-</b>	<b>12.66</b>	<b>0.01</b>	<b>-</b>	<b>0.49</b>





**Hindustan Auto Finance Limited**

**Notes to balance sheet**

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

Particulars	31 March, 2023	31 March, 2022
<b>4 Other non-current financial assets</b>		
Security deposits		
Loans and Advances (Considered good - unsecured)	0.08	0.03
<b>Total other non-current financial assets</b>	<u>57.98</u>	<u>57.98</u>
	<b>58.06</b>	<b>58.01</b>
<b>Other non-current assets</b>		
Balance with Bank		
<b>Total other non-current assets</b>	-	-
<b>5 Trade receivables</b>		
Trade receivables		
Less: Provision for doubtful receivables	181.92	197.32
	<u>(0.54)</u>	<u>(0.54)</u>
	<b>181.39</b>	<b>196.78</b>
<b>Break-up of security details</b>		
Secured, considered good		
Unsecured, considered good	-	-
Doubtful	181.39	196.78
<b>Total</b>	<u>0.54</u>	<u>0.54</u>
Allowance for doubtful debts	181.92	197.32
<b>Total Trade receivables</b>	<u>(0.54)</u>	<u>(0.54)</u>
	<b>181.39</b>	<b>196.78</b>

Ageing for trade receivables as at 31 March 2023 is as follows:

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>Trade receivable</b>							
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	181.39	181.39
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	0.54	0.54
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	-	-	-	#	<b>181.92</b>	<b>181.92</b>
Less: Allowance for doubtful trade receivables							<u>(0.54)</u>
Total trade receivable							<u>181.39</u>

Ageing for trade receivables as at 31 March 2022 is as follows:

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>Trade receivable- billed</b>							
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	196.78	196.78
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	0.54	0.54
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	-	-	-	#	<b>197.32</b>	<b>197.32</b>
Less: Allowance for doubtful trade receivables							<u>(0.54)</u>
Total trade receivable							<u>196.78</u>

**6 Cash and cash equivalents**

Balances with bank	12.41	-
Cash in hand	1.75	5.24
<b>Total cash and cash equivalents</b>	<u>14.16</u>	<u>5.24</u>

**7 Other current assets**

Advance to Company Secretary	0.02	-
Other Advances	0.04	-
<b>Total other current assets</b>	<u>0.06</u>	<u>-</u>

Meera Sarda

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

**8 Equity share capital**  
**Authorised equity share capital**

	Number of shares	Equity share capital (par value)
As at 1 April 2021	60,00,000	6,00,00,000
As at 31 March 2022	60,00,000	6,00,00,000
As at 31 March 2023	60,00,000	6,00,00,000

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

	Number of shares	Equity share capital (par value)
As at 1 April 2021	35,02,800	3,50,28,000
Addition/(deletion) during the period	-	-
As at 31 March 2022	35,02,800	3,50,28,000
Addition/(deletion) during the period	-	-
As at 31 March 2023	35,02,800	3,50,28,000

**(ii) 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.





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

	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% holding	Number of shares	% holding
Subhash Sapra	4,50,500	12.86%	4,50,500	12.86%
Neera Sapra	3,36,700	9.61%	3,36,700	9.61%
DD Investments Private Limited	2,38,500	6.81%	2,38,500	6.81%
	<b>10,25,700</b>	<b>29.29%</b>	<b>10,25,700</b>	<b>29.29%</b>

**(iv) Change in Share Capital for the period of five years immediately preceding the date as at which the Balance Sheet is prepared**

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Aggregate number and class of shares allotted as fully paid -up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Aggregate number and class of shares allotted as fully paid-up by way of bonus shares (Equity Shares)	-	-	-	-	-
Aggregate number and class of shares bought back	-	-	-	-	-

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

**(v) Details of Shareholding of Promoters**

Name of Promoters	Shareholding at the end of March 31, 2023		Shareholding at the end of March 31, 2022		% Change during the year
	No. of Shares	% of total Shares of Company	No. of Shares	% of total Shares of Company	
Dhruv Sapra	43,600	1.24	43,600	1.24	
Divya Oberoi	1,17,200	3.35	1,17,200	3.35	
Neera Sapra	3,36,700	9.61	3,36,700	9.61	
Subhash Sapra	4,50,500	12.86	4,50,500	12.86	
Subhash Sapra & Sons	26,600	0.76	26,600	0.76	
<b>Total</b>	<b>9,74,600</b>	<b>27.82</b>	<b>9,74,600</b>	<b>27.82</b>	

Name of Promoters	Shareholding at the end of March 31, 2022		Shareholding at the end of March 31, 2021		% Change during the year
	No. of Shares	% of total Shares of Company	No. of Shares	% of total Shares of Company	
Dhruv Sapra	43,600	1.24	43,600	1.24	
Divya Oberoi	1,17,200	3.35	1,17,200	3.35	
Neera Sapra	3,36,700	9.61	3,36,700	9.61	
Subhash Sapra	4,50,500	12.86	4,50,500	12.86	
Subhash Sapra & Sons	26,600	0.76	26,600	0.76	
<b>Total</b>	<b>9,74,600</b>	<b>27.82</b>	<b>9,74,600</b>	<b>27.82</b>	



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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, 2023	31 March, 2022
Other Reserves	7.73	7.73
Retained Earnings	(114.66)	(109.30)
<b>Total reserves and surplus</b>	<b>(106.94)</b>	<b>(101.57)</b>
<b>Total other equity</b>	<b>(106.94)</b>	<b>(101.57)</b>

	31 March, 2023	31 March, 2022
<b>a) Other Reserves</b>		
Opening balance	7.73	7.73
<b>Closing balance</b>	<b>7.73</b>	<b>7.73</b>
<b>b) Retained Earnings</b>		
Opening balance	(109.30)	(109.37)
Net profit for the period	(5.36)	0.07
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	-	-
<b>Closing balance</b>	<b>(114.66)</b>	<b>(109.30)</b>

**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
<b>Total other non-current financial liabilities</b>	<b>0.86</b>	<b>0.86</b>

**11 Other current financial liabilities**

Current maturities of long-term debts	9.45	4.00
<b>Total other current financial liabilities</b>	<b>9.45</b>	<b>4.00</b>

**12 Other current liabilities**

Advance Received from customers	0.00	0.00
Expenses Payable	0.50	0.38
Cheque issued but not presented	-	6.58
<b>Total other current liabilities</b>	<b>0.50</b>	<b>6.95</b>



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

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>13 Revenue from operations</b>		
Sale of Services	15.11	4.93
<b>Net Revenue from Operations</b>	<b>15.11</b>	<b>4.93</b>
<b>14 Employee benefit expense</b>		
Salaries and wages	5.60	3.10
Staff welfare expenses	0.08	0.05
<b>Total employee benefit expense</b>	<b>5.67</b>	<b>3.14</b>
<b>15 Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment	-	0.01
<b>Total depreciation and amortisation expense</b>	<b>-</b>	<b>0.01</b>
<b>16 Other expenses</b>		
Director's Remuneration	0.10	0.10
Bank Charges	0.07	0.05
Printing and Stationery	0.43	0.04
Entertainment Expenses	0.02	0.03
Telephone Expenses	0.04	0.01
Miscellaneous expenses	0.26	0.05
Rent	0.85	0.50
Travelling & Conveyance	1.23	0.13
Office Expenses	0.21	0.03
Auditor Remuneration	0.50	0.13
Legal Charges	8.59	0.58
Insurance	0.04	-
Professional & Consultancy Charges	0.68	-
Software Purchase	0.27	-
Advertisement and Publicity	0.73	-
Postage	0.62	-
Festival Expenses	0.15	0.04
<b>Total other expenses</b>	<b>14.78</b>	<b>1.69</b>
<b>17 Income tax expense</b>		
Current tax	-	-
Earlier Years	0.01	0.02
<b>Total current tax expense</b>	<b>0.01</b>	<b>0.02</b>
Deferred tax		
Decrease (increase) in deferred tax assets	-	-
(Decrease) increase in deferred tax liabilities	-	-
<b>Total deferred tax expense/(benefit)</b>	<b>-</b>	<b>-</b>
<b>Total income tax expense</b>	<b>0.01</b>	<b>0.02</b>



*Neeva Sarda*



**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, 2023		31 March, 2022	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial assets</b>				
Cash and cash equivalents	-	14.16	-	5.24
Security deposits	-	0.08	-	0.03
<b>Total financial assets</b>	-	14.23	-	5.27
<b>Financial liabilities</b>	-	-	-	-
<b>Total financial liabilities</b>	-	-	-	-

**(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**

As at 31 March 2023	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>	-	-	-	-	-
<b>Total financial assets</b>	-	-	-	-	-

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

As at 31 March 2023	Notes	Level 1	Level 2	Level 3	Total
<b>Financial liabilities</b>	-	-	-	-	-
<b>Total financial liabilities</b>	-	-	-	-	-

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

As at 31 March 2022	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>	-	-	-	-	-
<b>Total financial assets</b>	-	-	-	-	-

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

As at 31 March 2022	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>	-	-	-	-	-
<b>Total financial liabilities</b>	-	-	-	-	-



**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, 2023		31 March, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial Liabilities</b>	-	-	-	-
<b>Total financial liabilities</b>	-	-	-	-

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.



Heera. Sarda



**Hindustan Auto Finance Limited****Notes to financial statements**

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

**19 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**

<b>Loss allowance on 1 April 2022</b>	<b>(0.54)</b>
Changes in loss allowance	-
<b>Loss allowance on 31 March 2022</b>	<b>(0.54)</b>
Changes in loss allowance	-
<b>Loss allowance on 31 March 2023</b>	<b>(0.54)</b>

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 period.

**(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 cash outflow 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 borrowing.





**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 2023	For the year ended 31 March 2022
(i) Equity shares		
Final dividend for the year ended 31 March 2023 of Rs. NIL (31 March 2022 – 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.










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

**22 Related party transactions**

(a) (i) Key Management Personnel (KMP)

Mr. Subhash Sapra, Managing Director  
 Ms. Neera Sapra, Director & Chief Financial Officer  
 Mr. Rishabh Aggarwal, Company Secretary and Compliance Officer

(b) Key management personnel compensation

	For the year ended 31 March 2023	For the year ended 31 March 2022
Remuneration	265	0.10
<b>Total compensation</b>	<b>265</b>	<b>0.10</b>

(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



**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**

	31 March, 2023	31 March, 2022
Basic earnings per share attributable to the equity holders of the Company	(0.1531)	0.0021

**(b) Diluted earnings per share**

	31 March, 2023	31 March, 2022
Diluted earnings per share attributable to the equity holders of the Company	(0.1531)	0.0021

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

	31 March, 2023	31 March, 2022
<i>Basic earnings per share</i>		
Profit attributable to equity holders of the company used in calculating basis earnings per share	(5.3628)	0.0719

*Diluted earnings per share*

Profit attributable to equity holders of the company - used in calculating basis earnings per share	(5.3628)	0.0719
Add/Less:	-	-
Used in calculating diluted earnings per share	(5.3628)	0.0719

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

	In Lacs	In Lacs
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	35.0280	35.0280
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	35.0280	35.0280

**For Luthra & Associates**  
 Chartered Accountants  
 FRN : 031997N

  
**(CA Shivam Luthra)**  
 Prop.

M. No : 545739  
 UDIN : 24545739 B4 PQ7D4531

Place: New Delhi

Date: 29.05.2023



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

  
**Subhash Sapra**  
 Managing Director  
 DIN : 00241940

  
**Neera Sapra**  
 Director & Chief Financial Officer  
 DIN : 00241931

  
**Rishabh Aggarwal**  
 Company Secretary and Compliance Officer  
 M. No : A09800





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

**26 Additional disclosures**

a) The following are analytical ratios for the year ended 31 March 2023 and 31 March 2022

Particulars	Numerator	Denominator	31-Mar-23	31-Mar-22	% Change
Current Ratio	Current assets	Current liabilities	19.66	18.44	7%
Debt – Equity Ratio	Total Debt	Shareholder's Equity	3.88%	1.61%	141%
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	-56.60%	1.80%	-3249%
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	-2.17%	0.03%	-7618%
Trade receivables turnover ratio	Revenue from operations	Average Trade Receivable	7.99%	2.48%	222%
Net working capital turnover ratio	Revenue from operations	Average Working Capital	8.02%	2.58%	211%
Net profit ratio	Net Profit	Total Income	-35.41%	1.46%	-2527%
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	-2.20%	0.04%	-6283%

\*To comply with the statutory requirements legal cost increased, resulting into variances in ratios

- b) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 27 Loans or advances in the nature of loans have not been granted to any promoters, directors, KMPs and the related parties (as defined in the Companies Act, 2013), either severally or jointly with any other person.
- 28 The Company does not have any Benami property, where any proceedings has been initiated or pending against the Company for holding any Benami property.
- 29 The Company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- 30 The Company has not entered into any transactions with the Companies struck off under Section 248 of the Companies Act, 2013 or Companies Act, 1956.
- 31 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 32 The Company does not have any subsidiaries, associates and joint ventures and hence has not made any investment in subsidiaries, associates and joint ventures.
- 33 The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

**For Luthra & Associates**  
 Chartered Accountants  
 FRN : 031997N

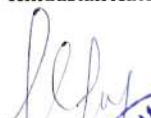
  
 (CA Shivam Luthra)

Prop.  
 M. No : 545739  
 UDIN : 25545739 841070 41931

Place: New Delhi  
 Date: 29.06.2023



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

  
 Subhash Sapra  
 Managing Director  
 DIN : 00241941

  
 Neera Sapra  
 Director & Chief Financial Officer  
 DIN : 00241941

  
 Rishabh Aggarwal  
 Company Secretary and Compliance Officer  
 M. No : A69201





**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 .....  
.....

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 43<sup>rd</sup> Annual General Meeting of the Company, to be held on Wednesday, 27<sup>th</sup> September, 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 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
-------	----------------------	-------------------------	-------------------------

<b>ORDINARY BUSINESS (ES)</b>			
1.	To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31 <sup>st</sup> March 2023 together with the Reports of the Directors' and Auditors' thereon.		
2.	To appoint Mr. Subhash Sapra (DIN: 00241940), Managing Director who retires by rotation and being eligible offers himself for reappointment.		
<b>SPECIAL BUSINESS (ES)</b>			
3	To regularise the appointment of Mr. Sumit Bansal as the Independent Director of the company.		
4	To Re-appoint Mr. Man Singh Tosaria (DIN: 00265138), as the Independent Director of the Company.		
5	To Re-appoint Mr. Sudhir Jain (DIN: 06703181), as the Independent Director of the Company.		

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 theregistered 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 jointholders 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**

43<sup>rd</sup> Annual General Meeting of the members of Hindustan Auto Finance Limited to be held on Wednesday, 27<sup>th</sup> September, 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 Resolutions 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
<b>ORDINARY BUSINESS (ES)</b>			
1.	To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31 <sup>st</sup> March 2023 together with the Reports of the Directors' and Auditors' thereon.		
2.	To appoint Mr. Subhash Sapra (DIN: 00241940), Managing Director who retires by rotation and being eligible offers himself for reappointment.		
<b>SPECIAL BUSINESS (ES)</b>			
3	To regularise the appointment of Mr. Sumit Bansal as the Independent Director of the company.		

4	To Re-appoint Mr. Man Singh Tosaria (DIN: 00265138), as the Independent Director of the Company.		
5	To Re-appoint Mr. Sudhir Jain (DIN: 06703181), as the Independent Director of the Company.		

**Date:**

**Place:**

**Signature of Shareholder**

*\* Please tick in the appropriate column*

**ATTENDANCE SLIP**

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

**43<sup>rd</sup> Annual General Meeting held on Wednesday, 27<sup>th</sup> September, 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 43<sup>rd</sup> Annual General Meeting of the Company on Wednesday, 27<sup>th</sup> September, 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  
GOVERNANCE-COMMUNICATION  
REGISTRATION FORM**

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

Folio No. / DP ID & Client ID : .....

.....

Name of 1<sup>st</sup> 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

