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Independent Auditor's Report

To the Members of Hinduja Leyland Finance Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Hinduja Leyland Finance Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associate and joint venture, as listed in Annexure A, which comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associate and joint venture, referred to in paragraph 15 of Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associate and joint venture, as at 31 March 2025, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group, its associate and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules 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 together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

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Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associate and joint venture, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

A. Key audit matters of the Holding Company

Key audit matter	How our audit addressed the key audit matter
1. Impairment of financial assets (loans) based on Expected Credit Losses (ECL) As at 31 March 2025, the Holding Company reported total gross loans of ₹ 3,790,453 lakhs (31 March 2024: ₹ 3,003,798 lakhs) and expected credit loss provisions of ₹ 88,822 lakhs (31 March 2024: ₹ 80,137 lakhs). Ind AS 109, Financial Instruments ('Ind AS 109') requires the Holding Company to provide for impairment of its financial assets using the expected credit loss ('ECL') approach involving an estimation of probability of loss on the financial assets, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Holding Company's financial assets. Expected credit loss cannot be measured precisely but can only be estimated through use of statistics. The estimation of impairment loss allowance on financial instruments involves significant judgement and estimates and applying appropriate measurement principles, including additional considerations on account of Reserve Bank of India guidelines in relation to restructuring. The Holding Company has involved an internal expert to measure probability of default (PD), loss given default (LGD), in accordance with Ind AS 109. The Holding Company measures 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. Significant management judgment and assumptions involved in measuring ECL is required with respect to:	Our audit focused on assessing the appropriateness of management's judgment and estimates used in the expected credit losses through procedures which included, but were not limited to, the following: • Examined the policy approved by the Board of Directors ('Board') with respect to process and procedures for assessing and measuring credit risk on the lending exposures of the Holding Company and evaluated its appropriateness in accordance with the requirements of Ind AS 109. • Evaluated the design and tested the operating effectiveness of controls across the process relevant to ECL measurement, including around the judgements and estimates made by the management. These controls, amongst others, included controls over the allocation of assets into stages along with management's monitoring of and completeness of the underlying data used in the models, credit monitoring, passing of journal entries and preparing disclosures. • With respect to management expert involved for the Holding Company's modelling approach, we obtained the deliverables of the expert submitted to the management and assessed the professional competence and objectivity of such management expert. • Tested the completeness of loans included in the ECL calculations as of 31 March 2025 by reconciling such data with the balances as per loan book register.

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<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
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segmentation of loan book in buckets based on common risk characteristics.
staging of loans and in particular determining the criteria, which includes qualitative factors for identifying a significant increase in credit risk (i.e. Stage 2) and credit-impaired (i.e. Stage-3) including the days past due.
factoring in future macro-economic and industry specific estimates and forecasts.
past experience on customer behaviour on repayments.
varied statistical modelling techniques to determine PD, LGD and exposure at default (EAD) basis the default history of loans, subsequent recoveries made.
effect of discounting the cash flows by estimating the timing of expected credit shortfalls associated with the defaults.

Impairment losses in addition to the model-driven ECL results are recorded as overlays by management, to address known impairment model limitations or emerging trends as well as risks not captured by models.
As at 31 March 2025, overlays represent approximately 32% of the ECL balances. These adjustments required significant management judgement.
Determining ECL on the financial assets also requires compliance with key disclosure requirements as prescribed under the standards and by the Reserve Bank of India, to explain the key judgements and assumptions made by the management in the measurement.
Considering the significance of the above matter to the consolidated financial statements and since the matter required our significant attention to test the calculation of expected credit losses, we have identified this as a key audit matter for current year audit.
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Tested, on a sample basis, the appropriateness of determining EAD, the data used in the PD and LGD model for ECL calculation by reconciling it to the source information systems of the Holding Company. Further, tested classification of assets into stage 1, 2 and 3 categories, on a sample basis, to verify that these were allocated to the appropriate stage.
With the support of auditor's expert, obtained an understanding of the modelling techniques adopted by the Holding Company including the key inputs and assumptions. Challenged the management on post model adjustments, considering the size and complexity of management overlays, in order to assess the reasonableness of the adjustments.
Performed an overall assessment of the ECL provision levels at each stage, including management's assessment and provision on account of the Holding Company's portfolio as well as the macroeconomic environment.
On a test check basis, ensured compliance with RBI Master Circular on 'Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to advances' ('IRACP') read with RBI circular on 'Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications' dated 12 November 2021 along with RBI notification RBI/2021-2022/158 dated 15 February 2022, in relation to identification, upgradation and provisioning of non-performing assets (NPAs) and ensured that the Holding Company has considered NPAs as credit impaired loans.
Obtained written representations from the management in relation to appropriateness of such ECL methodology and reasonableness of the judgements and assumptions used.
Assessed the appropriateness and adequacy of the related presentation and disclosures in the accompanying consolidated financial statements in accordance with the applicable accounting standards and related RBI circulars.

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Key audit matter	How our audit addressed the key audit matter
2. Financial assets measured at fair value through other comprehensive income (FVTOCI) As at 31 March 2025, the Holding Company has loans amounting to ₹ 2,714,124 lakhs (31 March 2024: ₹ 2,091,339 lakhs) that are carried and measured at FVTOCI in accordance with Ind AS 109. The classification of such loans at FVTOCI is dependent on the business model adopted by the Holding Company to manage such financial assets in order to generate cash flows. The management has determined that their business model of aforesaid loans is to collect contractual cash flows (solely payments of principal and interest on the amount outstanding) and also to sell such financial assets, and hence, such loans are classified at FVTOCI in accordance with the principles of Ind AS 109. In measuring these loans, valuation methods are used based on inputs that are not directly observable from market information and certain other unobservable inputs. The management has used the services of an independent professional valuer for arriving at the fair value of aforesaid loan assets. Such fair value is derived using discounted cash flow models wherein the key assumptions include discount rate and adjustment for credit risk including default risk. Given the subjectivity involved in ascertaining the business model and the fair valuation of the aforesaid loans, relative significance of these loans to the consolidated financial statements and the nature and extent of audit procedures involved, we determined this to be a key audit matter.	Our audit procedures in relation to financial assets measured at FVTOCI included, but were not limited, to the following: • Obtained an understanding of the 'Business Model Policy Note' approved by the Board of Directors of the Holding Company, and evaluated whether the identified loan portfolio would satisfy the conditions of Ind AS 109 for measurement at FVTOCI. • Assessed the design and tested the operating effectiveness of managements' key internal controls over inputs used in the valuation model. • Obtained the valuation report of the management's valuation expert involved and assessed the expert's competence and objectivity in performing the valuation of these loans. • With the support of our valuation specialists, assessed whether the valuation methodology adopted by the management's expert is appropriate and tested the reasonableness of the underlying assumptions used such as discount rates to estimate the fair value of the said loans by performing independent sensitivity analysis. Also, tested the completeness of source data and arithmetical accuracy of the management working. • Assessed the appropriateness and adequacy of disclosures made in the consolidated financial statements with respect to Holding Company's exposure to financial instrument valuation risk as per the requirements of the Indian Accounting standards. • Obtained written representations from the management in relation to reasonableness of the assumptions and judgements used in the valuation of these loans.

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Key audit matter	How our audit addressed the key audit matter
3. Information Technology ("IT") Systems and Controls for the financial reporting process The Holding Company is highly dependent on its information technology (IT) systems for carrying on its operations which require large volume of transactions to be processed in numerous locations on a daily basis. The financial accounting system of the Holding Company is integrated with several other modules including Loan Management and Originating modules and other workflows. As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the Holding Company. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting. The accuracy and reliability of the financial reporting process depends on the IT systems and the related control environment, including: • IT general controls over user access management and change management across applications, networks, database, and operating systems; • IT application controls. Due to the pervasive nature and importance of the role of IT systems and related control environment on the Holding Company's financial reporting process, we have identified testing of such IT systems and related control environment as a key audit matter for the current year audit.	In our audit, our focus was on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems. We performed a range of audit procedures with the involvement of our IT specialists, which included but were not limited to, the following: • Obtained an understanding of the Holding Company's IT related control environment, IT applications, databases and IT Infrastructure. Based on our understanding, we have evaluated and tested relevant IT general controls and IT application controls on the systems identified as relevant for our audit of the standalone financial statements. • On such in-scope IT systems, we have tested key IT general controls with respect to the following domains: a. User access management, which includes user access provisioning, de-provisioning, access review, password policies, sensitive access rights and segregation of duties to ensure that privileged access to applications, operating system and databases in the production environment were granted only to authorized personnel; b. Program change management, which includes controls on moving program changes to production environment by authorised personnel as per defined policy and procedures along with adequate segregation of environment; c. Other areas that were assessed under the IT control environment included backup management. • Reviewed the report of Information System Audit carried out in the current and previous years by a firm engaged by management pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting and discussed the deficiencies with the management along with corresponding mitigating actions undertaken.

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Key audit matter	How our audit addressed the key audit matter
	• Evaluated the design and tested the operating effectiveness of key automated controls within various business processes, including testing of relevant system logic and corresponding automated calculations and process for automated accounting entries, as applicable. Where deficiencies were identified, tested compensating controls and/or performed additional substantive audit procedures as required to mitigate any risk of material misstatement with respect to related financial statement line item. • Obtained written representations from management on whether IT general controls and automated IT controls are designed and were operating effectively during the year.

B. Key audit matters of the Subsidiary

The following Key Audit Matters were included in the audit report dated 07 May 2025, containing an unmodified audit opinion on the financial statements of Hinduja Housing Finance Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants reproduced by us are under:

Key audit matters	How the matter was addressed in our audit
1. Impairment of loans to customers: Under Ind AS 109, Financial Instruments, allowance for loan losses is determined using expected credit loss ("ECL") estimation model. As at 31 March 2025, the Company has total gross loan assets of ₹ 10,99,655 Lakhs against which an impairment loss of ₹ 15,865 Lakhs has been recorded. The calculation of impairment losses on loans is complex and is based on the application of significant management judgements, estimates and the use of different modelling techniques and assumptions, which have a material impact on reported profits. The Company has applied a three-stage approach based on changes in credit quality to measure expected credit loss on loans. The key areas where we identified greater levels of management judgement are: 1. Staging of loans and determining the criteria for a significant increase in credit risk. 2. Model estimations – the most significant judgement aspects are determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD")	**Our key audit procedures included:** Review of the Company's accounting policies for impairment of loan assets in terms of accounting principles laid down in Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued from time to time. Understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation to evaluate the reasonableness of the Management estimates. Assessed and tested the design and operating effectiveness of key manual and automated controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording and monitoring of the impairment loss recognized. Also, evaluated the controls over the modelling process, validation of data and related approvals. Assessed the criteria for staging of loans based on their past due status. Also performed analytical reviews of disaggregated data. Tested a sample of performing (stage 1) loans to assess whether any Significant Increase in Credit

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Key audit matters	How the matter was addressed in our audit
3. Determining macro-economic factors impacting credit quality of receivables ECL involves an estimation of probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecast of future economic conditions which could impact the credit quality of the Company's loans and advances. In view of such a high degree of Management's judgement involved in estimation of ECL, it is a key audit matter.	Risk (SICR) or loss indicators were present requiring them to be classified under higher stages. Test-checked the computation of ECL, including assumptions and underlying computation. Assessed the disclosures included in the financial statements.
2. IT systems and controls: The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, Existence of gaps in the IT control environment could result in risk of material misstatement in the financial accounting and reporting records. Accordingly, we identified IT systems and controls over financial reporting as a key audit matter for the Company.	**Our key audit procedures included:** Obtained an understanding of the Company's IT related control environment, IT applications, databases, and IT Infrastructure. Based on our understanding, we have evaluated and tested relevant IT General Controls and IT Application controls on the systems identified as relevant for our audit of the financial statements. We have tested key IT general controls with respect to the following domains: i) User access management, which includes user access provisioning, de-provisioning, access review and access rights; ii) Program change management, which includes controls on program changes by authorised personnel; iii) Other areas included backup management, business continuity management and third-party management. We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are important to financial reporting and various configuration and other identified application controls. Tested the design and operating effectiveness of key automated controls including testing of relevant system logic, automated calculations, and accounting entries. We reviewed the report of the professional firm engaged by the management for review of information system and security assessment.

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Key audit matters	How the matter was addressed in our audit
3. Financial assets measured at fair value through other comprehensive income (FVTOCI) As at 31 March 2025, the Company has loans amounting to ₹ 2,14,917 lakhs – Net of Impairment (31 March 2024: ₹ 2,56,588 Lakhs) that are carried and measured at fair value through other comprehensive income (FVOCI) in accordance with Ind AS 109. The classification of loans at FVTOCI is dependent on the business model of the Company whereby the management has determined that the aforesaid loans are to collect contractual cash flows and also to sell such financial assets. The fair value arrived by the management's valuation expert is derived using discounted cashflow models wherein the key assumptions include expected future cash flows, prepayment rate and discount rate. Given the business model assessment, the fair valuation of the aforesaid loans and relative significance of these loans to the financial statements, we determined this to be a key audit matter.	**Our key audit procedures included:** Obtained an understanding of the 'Business Model Assessment' Policy approved by the Board of Directors of the Company. Evaluated the criteria adopted by the management in identification of the loan portfolio and reviewed the inputs used by the management in fair valuation. Assessed the management's valuation expert's competence in performing the valuation of these loans. Reviewed the valuation report, valuation methodology and underlying assumptions used to estimate the fair value. Also, test checked the arithmetical accuracy of the workings. Reviewed the appropriateness and adequacy of disclosures made in the financial statements as per the requirements of Ind AS. Obtained written representations from the management in relation to reasonableness of the assumptions and judgements used in the valuation of these loans.

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

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report and Corporate Governance Report, but does not include the consolidated financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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

   When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate and joint venture in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the Group and of its associate and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associate and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, and its associate and joint venture, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. 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.

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

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

Other Matter

15. We did not audit the financial statements of two subsidiaries, whose financial statements reflects total assets of ₹ 11,93,268 lakhs as at 31 March 2025, total revenues of ₹ 166,208 lakhs and net cash inflows amounting to ₹ 16,632 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ (607) lakhs for the year ended 31 March 2025, as considered in the consolidated financial statements, in respect of one associate and one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and joint venture, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, associate and joint venture, are based solely on the reports of the other auditors.

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Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

16. The consolidated financial statements of the Group for the year ended 31 March 2024 were jointly audited by the predecessor auditor, Suresh Surana & Associates LLP and Walker Chandiok & Co LLP, who have expressed an unmodified opinion on those consolidated financial statements vide their audit report dated 15 May 2024. Accordingly, R. Subramanian and Company LLP do not express any opinion on the figures reported in the consolidated financial statements for the year ended 31 March 2024.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, associate and joint venture, we report that the Holding Company, one subsidiary, and one joint venture incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that one subsidiary and one associate incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary and associate.

18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

19. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associate and joint venture incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) Except for the matters stated in paragraph 19(g)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) On the basis of the written representations received from the directors of the Holding Company, its subsidiaries, associate and joint venture and taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiaries, associate and joint venture, covered under the Act, none of the directors of the Holding Company, its subsidiaries, associate and joint venture, are disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act.

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f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiaries, associate and joint venture covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' wherein we have expressed an unmodified opinion which is based on the auditor's report of Holding Company, and its subsidiaries, associate and joint venture covered under the Act; and

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 and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries, associate and joint venture incorporated in India whose financial statements have been audited under the Act:

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint venture as detailed in Note 37 to the consolidated financial statements;

   ii. The Holding Company has made provision in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if applicable, on long-term contracts including derivative contracts. The subsidiary companies, associate and joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries, associate and joint venture covered under the Act, during the year ended 31 March 2025;

   iv.

      a. The respective managements of the Holding Company and its subsidiaries, associate and joint venture incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint venture respectively that, to the best of their knowledge and belief as disclosed in note 52 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries, associate and joint venture to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiaries, associate and joint venture ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

      b. The respective managements of the Holding Company and its subsidiaries, associate and joint venture incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note 52 to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries, associate and joint venture from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries, associate and joint venture shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

R. SUBRAMANIAN AND COMPANY LLP Chennai 600 004 Chartered Accountants

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, associate and joint venture, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Holding Company, its subsidiaries, associate and joint venture have not declared or paid any dividend during the year and has not proposed final dividend ended 31 March 2025.

vi. As stated in note 53 to the consolidated financial statements and based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, associate and joint ventures, the Holding Company and its subsidiaries, associate and joint venture, in respect of financial year commencing on 01 April 2024, have used an accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility. However, the audit trail feature in one of the accounting software used for maintenance of accounting records was not enabled by the joint venture for part of the year and the same did not operate throughout the year for all relevant transactions recorded in the software. During the course of our audit, we and respective auditors of the above referred subsidiaries, associate and joint venture did not come across any instance of audit trail feature being tampered with for the period where audit trail is enabled. Further, the audit trail has been preserved by the Holding Company and its subsidiaries, associate and joint venture as per the statutory requirements for record retention.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

Murad D. Daruwalla
Partner
Membership No.: 043334

UDIN: 25043334BMRJUA9850

Place: Chennai
Date: 17 May 2025

For **R. Subramanian and Company LLP**
Chartered Accountants
Firm's Registration No: 004137S/S200041

R Kumarasubramanian
Partner
Membership No.: 021888

UDIN: 25021888BMMBIV5148

Place: Chennai
Date: 17 May 2025

R. SUBRAMANIAN AND COMPANY LLP
Chennai
600 004
Chartered Accountants

Appendix A:

List of subsidiary companies, associate and joint venture of Hinduja Leyland Finance Limited ('Holding Company') included in the Consolidated Financial Statements:

S. No	Name of the Entity	Relationship
1	Hinduja Housing Finance Limited	Subsidiary Company
2	Gaadi Mandi Digital Platforms Limited	Subsidiary Company
3	HLF Services Limited	Associate Company
4	Gro Digital Platforms Limited	Joint Venture

Annexure B to the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the consolidated financial statements for the year ended 31 March 2025

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements 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 consolidated financial statements of Hinduja Leyland Finance Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associate and joint venture as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies, its associate and joint venture, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, its associate and joint venture, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate and joint venture , as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, 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 internal financial controls with reference to financial statements 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 internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate and joint venture as aforesaid.

R. SUBRAMANIAN AND COMPANY LLP Chennai 600 004 Chartered Accountants

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Annexure B to the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the consolidated financial statements for the year ended 31 March 2025

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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 and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, associate and joint venture, the Holding Company, its subsidiary companies, its associate and joint venture, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

R. SUBRAMANIAN AND COMPANY LLP
Chennai
600 004
Chartered Accountants

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

Annexure B to the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the consolidated financial statements for the year ended 31 March 2025

Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to two subsidiary Companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 11,93,268 lakhs, total revenues of ₹ 166,208 lakhs and net cash inflows amounting to ₹ 16,632 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ (607) lakhs for the year ended 31 March 2025, in respect of one associate and one joint venture, which are Companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary Companies, associate and joint venture have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary Companies, its associate and joint venture, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary Companies, associate and joint venture is based solely on the reports of the auditors of such Companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Murad D. Daruwalla
Partner
Membership No.: 043334

UDIN: 25043334BMRJUA9850

Place: Chennai
Date: 17 May 2025

For **R. Subramanian and Company LLP**
Chartered Accountants
Firm's Registration No: 004137S/S200041

R. Kumarasubramanian

R Kumarasubramanian
Partner
Membership No.: 021888

UDIN: 25021888BMMBIV5148

Place: Chennai
Date: 17 May 2025

R. SUBRAMANIAN AND COMPANY LLP Chennai 600 004 * Chartered Accountants *

HINDUJA LEYLAND FINANCE LIMITED

Consolidated Balance Sheet as at 31 March 2025

INR In Lakhs

Particulars	Note No.	As at 31 March 2025	As at 31 March 2024
ASSETS			
Financial assets			
Cash and cash equivalents	5	3,18,244	2,90,953
Bank balance other than cash and cash equivalents	6	50,016	30,263
Loans	7	47,85,420	38,46,319
Investments			
(i) Investments accounted for using equity method	8(i)	2,681	2,288
(ii) Other investments	8(ii)	3,25,400	1,89,951
Derivative financial instruments	12	531	-
Other financial assets	9	92,052	63,655
		55,74,344	**44,23,429**
Non-financial assets			
Current tax assets (net)		9,739	10,366
Property, plant and equipment	10	42,668	33,156
Capital work-in-progress	10A	3,615	2,706
Other intangible assets	10B	108	95
Right of use assets	10C	7,041	6,502
Other non-financial assets	11	15,688	11,478
		78,859	**64,303**
Total assets		**56,53,203**	**44,87,732**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Derivative financial instruments	12	2,868	165
Trade payables	13		
(i) Total oustanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		8,526	3,019
Debt securities	14	1,36,240	43,105
Borrowings (other than debt securities)	15	41,29,827	34,59,864
Subordinated liabilities	16	3,23,288	1,67,263
Other financial liabilities	17	91,850	83,521
		46,92,599	**37,56,937**
Non-financial liabilities			
Provisions	18	1,102	582
Deferred tax liabilities (net)	32	86,221	46,104
Other non-financial liabilities	19	3,794	3,043
		91,117	**49,729**
EQUITY			
Equity share capital	20	54,524	53,516
Other equity	21	8,14,963	6,27,550
		8,69,487	**6,81,066**
Total liabilities and equity		**56,53,203**	**44,87,732**

Summary of Material accounting policy information. 4

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

As per our report of even date
for **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993MH2008PLC384221

Murad D. Daruwalla
Partner
Membership No: 043334

Dheeraj G Hinduja
Chairman
DIN No : 00133410

Sachin Pillai
Managing Director & CEO
DIN No : 06400793

for **R. Subramanian and Company LLP**
Chartered Accountants
Firm Registration No: 004137S / S200041

R Kumarasubramanian
Partner
Membership No: 021888
Place : Chennai
Date : 17 May 2025

Vikas Jain
Chief Financial Officer

R Srividhya
Company Secretary
Membership No: A22261

HINDUJA LEYLAND FINANCE LIMITED

Consolidated Statement of Profit and Loss for the year ended 31 March 2025

INR In Lakhs

Particulars	Note No.	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from operations			
Interest income	22	5,36,437	4,01,058
Fees and commission income	23	11,806	8,441
Net gain on fair value changes		957	1,911
Net gain on derecognition of financial instruments	24	56,436	42,751
Rental income		7,739	3,033
Total revenue from operations		**6,13,375**	**4,57,194**
Other Income	25	14,676	8,730
Total revenue		**6,28,051**	**4,65,924**
Expenses			
Finance costs	26	3,54,037	2,56,161
Fees and commission expense	27	22,051	9,925
Impairment on financial instruments	28	65,195	57,285
Employee benefits expense	29	45,562	34,062
Depreciation and amortization expense	30	8,702	4,609
Others expenses	31	27,905	19,331
Total expenses		**5,23,452**	**3,81,373**
Profit before share of profit of equity accounted investee and income tax		**1,04,599**	**84,551**
Share of loss of equity accounted investee (net of income tax)		(618)	(412)
Profit before tax		**1,03,981**	**84,139**
Tax expense:	32		
Current tax		17,039	15,025
Deferred tax		9,562	5,471
Total taxes		**26,601**	**20,496**
Net profit for the year		**77,380**	**63,643**
Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit plans		(195)	(86)
(ii) Share of other comprehensive income of equity accounted investees		15	14
(iii) Income tax relating to items that will not be reclassified to profit or loss		45	18
Remeasurement of defined benefit plans for joint venture and associate(net)			
(B) Items that will be reclassified to profit or loss			
(i) (a) Fair value gain/(loss) on financial assets carried at Fair Value Through Other Comprehensive Income (FVTOCI)		1,23,764	76,855
(b) Effective portion of loss on designated portion of hedging instruments in a cashflow hedge		(2,172)	(165)
(ii) Income tax relating to items that will be reclassified to profit or loss		(30,605)	(19,302)
Total other comprehensive income		**90,852**	**57,334**
Total comprehensive income		**1,68,232**	**1,20,977**
Earnings per equity share (face value Rs.10 each)	33		
- Basic (in Rs.)		14.46	11.89
- Diluted (in Rs.)		14.46	11.89

Summary of Material accounting policy information. 4

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

As per our report of even date
for **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993MH2008PLC384221

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

Murad D. Daruwalla
Partner
Membership No: 043334

Dheeraj G Hinduja
Chairman
DIN No : 00133410

Sachin Pillai
Managing Director & CEO
DIN No : 06400793

for **R. Subramanian and Company LLP**
Chartered Accountants
Firm Registration No: 004137S / S200041

R Kumarasubramanian
Partner
Membership No: 021888
Place : Chennai
Date : 17 May 2025

R. SUBRAMANIAN AND COMPANY LLP ★ Chennai 600 004 ★ Chartered Accountants

Vikas Jain
Chief Financial Officer

R Srividhya
Company Secretary
Membership No: A22261

HINDUJA LEYLAND FINANCE LIMITED ★ Guindy, Chennai - 32 ★

HINDUJA LEYLAND FINANCE LIMITED

Consolidated statement of cash flow for the year ended 31 March 2025

INR In Lakhs

Particulars	Note	Year ended 31 March 2025	Year ended 31 March 2024
A. Cash flow from operating activities			
Net profit before tax and after share of profit / (loss) of equity accounted investee companies		**1,03,981**	**84,139**
Adjustments:			
Depreciation and amortization expense	30	8,703	4,609
Profit on disposal of property, plant and equipment (PPE)		(15)	(43)
Profit on sale of Investment		(2,187)	-
Net loss/(gain) on fair value changes of investment		1,697	(1,911)
Finance costs	26	3,54,037	2,56,161
Interest income	22	(5,35,525)	(4,00,870)
Net gain on derecognition of financial instruments	24	(56,436)	(42,751)
Provision for expected credit loss and amounts written off		49,510	46,753
Impairment loss on other receivables		15,685	10,532
Rent expense		11	11
Share based payment expense		119	159
CSR Expenditure		413	333
Provision for employee benefits		208	250
Operating cash flow before working capital changes		**(59,799)**	**(42,628)**
Adjustments for (increase) / decrease in operating assets:			
Other receivables		-	-
Loans		(8,63,142)	(9,72,124)
Other financial assets		25,039	36,350
Other non- financial assets		(3,443)	(3,710)
Adjustments for increase / (decrease) in operating Liabilities:			
Trade payables		5,438	(237)
Other financial liabilities		6,903	14,881
Other non financial liabilities and provisions		360	654
Net cash used in operations before adjustments for interest received and interest paid		**(8,88,644)**	**(9,66,814)**
Cash outflow towards finance cost		(3,35,221)	(2,42,448)
Cash inflow from interest income		5,18,427	3,91,400
		1,83,206	1,48,953
Taxes paid (net)		(16,412)	(18,595)
Net cash used in operating activities (A)		**(7,21,850)**	**(8,36,456)**
B. Cash flow from investing activities			
(Investment)/redemption in mutual funds (net)		(1,21,910)	37,594
Investment in redeemable non-convertible debentures		(36,799)	(45,799)
Redemption of redeemable non-convertible debentures		19,867	23,164
Investment in pass through securities and government securities		(89,372)	(87,420)
Redemption in pass through securities, security receipts, government securities and alternative ii		94,412	70,806
Investment in equity shares of joint venture and subsidiary companies		(1,000)	(5,521)
Bank deposits placed (having original maturity of more than three months)		(50,000)	(8,070)
Bank deposits matured (having original maturity of more than three months)		30,208	
Purchase of PPE, intangibles including capital work-in-progress and capital advances		(21,220)	(26,968)
Proceeds from disposal of PPE		33	61
Interest on fixed deposits		2,159	240
Net cash used in investing activities (B)		**(1,73,622)**	**(42,153)**
C. Cash flow from financing activities			
Proceeds from issue of equity shares including securities premium		20,059	80
Proceeds from long term borrowings		21,07,088	18,82,088
Repayment of long term borrowings		(10,60,793)	(9,54,143)
Proceeds from working capital loan / cash credit and commercial paper (net)		(1,41,045)	1,38,842
Share application money received		11	-
Payment of lease liabilities		(2,557)	(2,097)
Net cash generated from financing activities (C)		**9,22,763**	**10,64,770**
Net increase in cash and cash equivalents (A+B+C)		27,291	1,86,400
Cash and cash equivalents at the beginning of the year		2,90,953	1,04,553
Cash and cash equivalents at the end of the year		3,18,244	2,90,953

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

R. SUBRAMANIAN AND COMPANY LLP Chennai 600 004 * Chartered Accountants *

HINDUJA LEYLAND FINANCE LIMITED * Guindy, Chennai - 32 *

HINDUJA LEYLAND FINANCE LIMITED
Consolidated statement of cash flow for the year ended 31 March 2025

INR In Lakhs

Particulars	Note	As at 31 March 2025	As at 31 March 2024
Components of cash and cash equivalents	5		
Cash and cheques on hand		8,882	15,386
Balances with banks - In current accounts		1,82,201	1,19,439
Balances with banks - Fixed deposits original maturity less than 3 months		1,27,161	1,56,128
		3,18,244	**2,90,953**

Change in liabilities arising fron financing activities

Particulars	01 April 2024	Cash Flow (+)	Indas Adjustments (-)	31 March 2025
Debt securities	43,105	92,521	(614)	1,36,240
Borrowings (other than debt securities)	34,59,865	6,62,147	(7,817)	41,29,827
Subordinated liabilities	1,67,263	1,50,582	(5,444)	3,23,288
Lease liabilities	6,967	(2,557)	(3,328)	7,739

Particulars	01 April 2023	Cash Flow (+)	Indas Adjustments (-)	31 March 2024
Debt securities	95,917	(54,112)	(1,300)	43,105
Borrowings (other than debt securities)	23,93,290	10,61,488	(5,086)	34,59,865
Subordinated liabilities	1,04,329	59,412	(3,522)	1,67,263
Lease liabilities	5,242	(2,097)	(3,822)	6,967

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

As per our report of even date
for **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Murad D. Daruwalla
Partner
Membership No: 043334

for **R. Subramanian and Company LLP**
Chartered Accountants
Firm Registration No: 004137S / S200041

R Kumarasubramanian
Partner
Membership No: 021888
Place : Chennai
Date : 17 May 2025

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993MH2008PLC384221

Dheeraj G Hinduja
Chairman
DIN No : 00133410

Sachin Pillai
Managing Director & CEO
DIN No : 06400793

Vikas Jain
Chief Financial Officer

R Srividhya
Company Secretary
Membership No: A22261

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

R. SUBRAMANIAN AND COMPANY LLP * Chennai 600 004 * Chartered Accountants *

HINDUJA LEYLAND FINANCE LIMITED * Guindy, Chennai - 32.*

HINDUJA LEYLAND FINANCE LIMITED
Consolidated Statement of Changes in Equity for the year ended 31 March 2025

A Equity share capital

INR In Lakhs

Particulars	Number of shares	Amount
Balance as at 1 April 2023	53,50,19,990	53,502
Change in equity share capital during the year		
Add: Issued during the year	1,42,500	14
Balance as at 31 March 2024	**53,51,62,490**	**53,516**
Change in equity share capital during the year		
Add: Issued during the year	1,00,82,000	1,008
Balance as at 31 March 2025	**54,52,44,490**	**54,524**

B

Other equity	Reserves and Surplus					Other items of other comprehensive income		Total
	Statutory reserves	Securities premium	Other reserves - Employee stock option outstanding account	Retained earnings	Share Application Money pending allotment	Fair value (loss)/gain on financial assets	Effective portion of cashflow hedge	
Balance as at 1 April 2023	54,070	1,81,318	458	2,05,810	-	64,693	-	5,06,349
Share based expenses	-	-	159	-	-	-	-	159
Premium on issue of share capital	-	66	-	-	-	-	-	66
Profit for the year	-	-	-	63,643	-	-	-	63,643
Transfer to / from reserve	12,729	-	-	(12,729)	-	-	-	-
Other comprehensive income (net of tax)	-	-	-	(54)		57,388	-	57,334
Balance as at 31 March 2024	**66,799**	**1,81,384**	**617**	**2,56,670**	**-**	**1,22,081**	**-**	**6,27,550**
Share based expenses	-	-	119	-	-	-	-	119
Premium on issue of share capital	-	19,051	-	-	-	-	-	19,051
Profit for the year	-	-	-	77,380	-	-	-	77,380
Transfer to / from reserve	15,476	-	-	(15,476)	11	-	-	11
Other comprehensive income/(loss) (net of tax)	-	-	-	(135)	0	92,612	(1,625)	90,852
Balance as at 31 March 2025	**82,275**	**2,00,435**	**736**	**3,18,439**	**11**	**2,14,693**	**(1,625)**	**8,14,963**

Summary of Material accounting policy information. Note 4

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

As per our report of even date
for **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Murad D. Daruwalla
Partner
Membership No: 043334

for **R. Subramanian and Company LLP**
Chartered Accountants
Firm Registration No: 004137S / S200041

R Kumarasubramanian
Partner
Membership No: 021888

Place : Chennai
Date : 17 May 2025

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993MH2008PLC384221

Dheeraj G Hinduja
Chairman
DIN No : 00133410

Sachin Pillai
Managing Director & CEO
DIN No : 06400793

Vikas Jain
Chief Financial Officer

R Srividhya
Company Secretary
Membership No: A22261

1 Reporting entity

Hinduja Leyland Finance Limited ('the Parent Company'), incorporated on 12 November 2008 and headquartered in Chennai, India is a Non Banking Finance Company engaged in providing asset finance. The Parent company is a systemically important Non Deposit taking Non Banking Finance Company (ND-NBFC) as defined under Section 45 – IA of the Reserve Bank Of India Act, 1934. The non-convertible debentures (NCD) of the Parent company are listed on the BSE Limited ("BSE") in India (Debt-listed).The Parent company received the certificate of registration dated 22 March 2010 from the Reserve Bank of India ("RBI") to carry on the business of Non Banking Financial Institution without accepting public deposits ("NBFC-ND"). Subsequently the Parent company was granted Investment and Credit Company status pursuant to Reserve Bank of India notification No. RBI/2018-19/130 DNBR (PD) CC.No.097/03.10.001/2018-19 dated 22 February 2019.

The subsidiary, associate and joint venture of the Group are listed below:

Name of the Group	Relationship	Percentage holding
Hinduja Housing Finance Limited*	Subsidiary company	100%
Gaadi Mandi Digital Platforms Limited	Subsidiary company	100%
HLF Services Limited	Associate company	45.90%
Gro Digital Platforms Limited	Joint venture	49.90%

* - a housing finance company registered with National Housing Bank (NHB) under section 29A of the National Housing Bank Act, 1987 with effect from 30 September 2015. The Subsidiary is primarily engaged in the business of providing loans for the purchase or construction of residential houses.

The parent company, subsidiary, associate and joint venture are collectively referred to as Group.

2 Basis of preparation

2.1 Statement of compliance and basis for preparation and presentation of financial statements

The financial statements of the Group have been prepared under historical cost convention on an accrual basis in accordance with the Indian Accounting Standards (Ind AS) and the relevant provisions of the Companies Act, 2013 (the "Act") along with other relevant provisions of the Act, Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023(as amended) and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Details of the Group accounting policies are disclosed in Note 3.These consolidated financial statements have been approved by the Company's Board of Directors and authorised for issue on 17 May 2025.

2.2 Presentation of financial statements

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

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

(i) The normal course of business
(ii) The event of default

Previous year figures have been restated / regrouped / re-classified wherever necessary in line with the financial statements for the year ended March 31, 2025. The impact of such restatements/ regroupings are not material to the consolidated financial statements.

2.3 Functional and presentation currency

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

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2.4 Basis of measurement

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102 Share based Payment, leasing transactions that are within the scope of Ind AS 116 Leases.

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

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access on measurement date.
- Level 2 inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 where unobservable inputs are used for the valuation of assets or liabilities.

2.5 Use of estimates and judgments

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

i) Business model assessment

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

ii) Impairment of financial asset

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

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

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

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

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

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

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2.5 Use of estimates and judgments (*Continued*)

iii) Fair value of financial instruments

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

iv) Defined Benefit plans

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

v) Leases

A. Determining the lease term of contracts with renewal and termination options - Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination

B. Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to for its borrowings.

vi) Provisions and other contingent liabilities

When the Group can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Group records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Group takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgment is required to conclude on these estimates.

3 Principles and Particulars of Consolidation

The consolidated financial statements relate to Hinduja Leyland Finance (referred as "the Parent Company" or "the Holding Company"), its subsidiary companies and share of profit / (loss) in its associate and joint venture (Collectively referred to as "the group").

The Financial statements of the Subsidiaries and Associates and Joint venture used in the consolidation are drawn up to the same reporting date as that of the holding company i.e. 31 March 2025.

Basis of Consolidation

a Subsidiaries

Subsidiaries are entities over which the Group has control. The group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

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b Investment in Associate and Joint Venture

An associate and joint venture is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The results, assets and liabilities of associates and joint venture are incorporated in these consolidated financial statements using the equity method of accounting.

Under the equity method, the investment in an associate and joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate and joint venture. Distributions received from associate and joint venture is recognised as reduction in the carrying amount of the investments. When the Group's share of losses of an associate and joint venture exceeds the Group's interest in that associate and joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate and joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate and joint venture.

An investment in an associate and joint venture is accounted for using the equity method from the date on which the investee becomes an associate and joint venture. On acquisition of the investment in an associate and joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired. After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate and joint venture.

When a group entity transacts with an associate and joint venture of the Group, profit or losses resulting from the transactions with associate and joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate and joint venture that are not related to the Group.

4 Material accounting policy information

4.1 Recognition of Income

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

A. Interest income

Interest income on financial instruments is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate applicable.
Effective Interest Rate ("EIR")
The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument.
The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts.
Interest income/expenses is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets/liabilities (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses). If the financial asset cures and is no longer credit impaired, the Group reverts to calculating interest income on a gross basis.

B. Rental income

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

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C. Fees and commission income

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

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

If the consideration promised in a contract includes a variable amount, the group estimates the amount of consideration to which it will be entitled in exchange for rendering the promised services to a customer. The amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event. Fees income includes fees other than those that are an integral part of EIR.

D. Income from transfer and servicing of Assets

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

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

E. Interest income on Investments in Pass Through Certificates and Security Receipts

Interest on Pass Through Certificates (PTC) and Security Receipts (SRs) is recognised in accordance with the contractual terms of the instrument.

4.2 Financial instrument - initial recognition

A. Date of recognition

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

B. Initial measurement of financial instruments

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

C. Measurement categories of financial assets and liabilities

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

i) Amortised cost (AC)
ii) Fair value through other comprehensive income (FVOCI)
iii) Fair value through profit or loss (FVTPL)

4.3 Financial assets and liabilities

Solely payments of principal and interest (SPPI) test

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

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

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

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

Accordingly, financial assets are measured as follows

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A. Financial assets

i) Financial assets carried at amortised cost (AC)

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

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

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

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

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

iv) Other equity investments

All other equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income.

B. Financial liability

i) Initial recognition and measurement

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

ii) Subsequent measurement

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

4.4 Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Group did not reclassify any of its financial assets or liabilities in the year ended 31 March 2025 and 31 March 2024.

4.5 Derecognition of financial assets and liabilities

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

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

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

i) Financial Assets

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

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

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

ii) Financial Liability

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

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4.6 Impairment of financial assets

A. Overview of Expected credit loss(ECL) principles

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

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

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

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

Both Life time ECLs(LTECL) and 12 months ECLs are calculated on collective basis.

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

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

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

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

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

B. Calculation of ECLs

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

EAD:

Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities after considering the credit conversion factor (for Stage 1 and Stage 2 assets), and accrued interest from missed payments.

PD:

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

LGD:

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

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

The mechanics of the ECL method are summarised below:

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

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

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

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Forward looking information

The Group considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, Inflation etc., as considered relevant so as to determine the impact of macro-economic factors on the Group's ECL estimates.

The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

4.8 Write-offs

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

4.9 Fair value

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

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

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3. There were no transfers between levels 1, 2 and 3 during the year. The Group recognises transfers in and transfers out of fair value hierarchy levels as at the end of the reporting period.

ii) Valuation process
The management of the Group performs the valuations of financial assets and liabilities required for financial reporting purposes. The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

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

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

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

Valuation processes and Technique

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

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

4.10 Foreign currency transactions

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

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

4.11 Property, plant and equipment

i. Recognition and measurement

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

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

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliable.

ii. Depreciation

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

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

Asset category	Estimated Useful life
Buildings	60 years
Furniture and fittings	8 to 10 years
Office equipment	5 years
Servers and computers	Computers 3 years, Servers 6 years
Vehicles	Motor Cars 5 to 8 years, Motor Cycles 10 years
Leasehold improvements (Yard)	10 years
Vehicles under lease	Over the lease term of the respective agreements

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

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets.

iii. Capital Work-in-progress

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

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4.12 Employee benefits

i. Post-employment benefits

Defined contribution plan

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

Defined benefit plans

Gratuity

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

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

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

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

ii. Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, and the company has an unconditional right to defer the settlement beyond 12 months from the reporting date, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

iii. Short-term employee benefits

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

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

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

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4.13 Provisions, contingent liabilities and contingent assets

Provisions

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

Contingent liability

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

4.14 Commitments

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

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

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

c) Funding related commitment to associate; and

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

4.15 Leases

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

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

a) the use of an identified asset,
b) the right to obtain substantially all the economic benefits from use of the identified asset, and
c) the right to direct the use of the identified asset.

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

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

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

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

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

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

Lease liability has been presented in Note 17 "Other Financial Liabilities" and ROU asset has been presented in Note 10C "Property, Plant and Equipment" and lease payments have been classified as financing cash flows.

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Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. The Group has given certain vehicles on lease where it has substantially retained the risks and rewards of ownership and hence these are classified as operating leases.

These assets given on operating lease are included in PPE. Lease income is recognised in the Statement of profit and loss as per contractual rental unless another systematic basis is more representative of the time pattern in which the benefit derived from the leased asset is diminished. Costs including depreciation are recognised as an expense in the Statement of profit and loss. Initial direct costs are recognised immediately in Statement of profit and loss.

4.16 Income tax

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

i. Current tax

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

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

ii. Deferred tax

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

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

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

4.17 Borrowing cost

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

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

4.18 Cash and cash equivalents

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

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4.19 Segment reporting- Identification of segments:

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

4.20 Earnings per share

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

4.21 Collateral Repossessed

The Group generally does not use the assets repossessed for the internal operations. The underlying loans in respect of which collaterals have been repossessed with an intention to realize by way of sale are considered as Stage 3 assets and the ECL allowance is determined based on the past history of net realizable value of the repossessed asset . Any surplus funds are returned to the borrower and accordingly collateral repossessed are not recorded on the balance sheet and not treated as non-current assets held for sale.

4.22 Derivative and Hedge accounting

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVTPL.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date.

The resulting gain/loss is recognised in Statement of Profit or Loss immediately unless the derivative is designated and is effective as a hedging instrument , in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

The Group makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specified criteria. At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for as cash flow hedge.

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve).

The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in net gain/loss on fair value changes in the profit and loss statement. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

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

4.23 Other accounting policy

i. **Other income**

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

ii. **Impairment of non-financial assets**

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

iii. **Intangible assets**

i. Recognition and measurement

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

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

ii. Amortisation

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

Asset category	Estimated Useful life
Computer softwares	5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.
Intangible assets is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of Intangible assets is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

iv. **Stock based compensation**

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

v. **Contingent asset**

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

vi. **Cash flow statement**

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

vii. **Securities premium**

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

viii. **Goods and Services tax**

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

4.24 The Ministry of Corporate Affairs ("MCA") notifies new standards or amendment to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Group w.e.f. April 1, 2024. The Group has reviewed the new pronouncements based on its evaluation has determined that it does not have any significant impact in its financial statements.

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Notes to consolidated financial statements for year ended 31 March 2025

INR In Lakhs

5 Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Cash on hand	1,966	6,208
Balances with banks - In current accounts	1,82,201	1,19,439
Balances with banks - FD original maturity less than 3 months	1,27,161	1,56,128
Cheques on hand	6,916	9,178
Total	**3,18,244**	**2,90,953**

6 Bank balance other than cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Earmarked balance		
'- Unspent corporate social responsibility account	-	250
Bank deposits (refer note 6.2 below)	50,016	30,013
Total	**50,016**	**30,263**

Notes :

6.1. The bank deposits earn interest at fixed rates.

6.2. The Parent has given fixed deposit as security of Rs. 50,000 Lakh as at 31 March 2025 (31 March 2024:Rs.30,000 Lakh) towards overdraft loan availed (refer note 15).

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Notes to consolidated financial statements for year ended 31 March 2025

7 Loans

INR In Lakhs

Particulars	As at 31 March 2025			As at 31 March 2024		
	At Amortised cost	At fair value through other comprehensive income	Total	At Amortised cost	At fair value through other comprehensive income	Total
A. Based on nature						
(I) Retail loans	18,04,667	29,29,040	47,33,707	13,87,716	23,48,257	37,35,973
Term loans	1,43,530	-	1,43,530	1,89,539	-	1,89,539
	19,48,197	**29,29,040**	**48,77,237**	**15,77,255**	**23,48,257**	**39,25,512**
Less : Impairment loss allowance	(46,919)	(52,913)	(99,832)	(34,680)	(52,913)	(87,593)
Total (I)-Net	**19,01,278**	**28,76,127**	**47,77,405**	**15,42,575**	**22,95,344**	**38,37,919**
(II) Repossessed loans	12,780	-	12,780	12,863	-	12,863
	12,780	**-**	**12,780**	**12,863**	**-**	**12,863**
Less : Impairment loss allowance	(4,765)	-	(4,765)	(4,463)	-	(4,463)
Total (I)-Net	**8,015**	**-**	**8,015**	**8,400**	**-**	**8,400**
Total (I) and (II)	**19,09,293**	**28,76,127**	**47,85,420**	**15,50,975**	**22,95,344**	**38,46,319**
B. Based on security						
(i) Secured by tangible assets	18,86,142	29,29,040	48,15,182	15,15,283	23,48,257	38,63,540
(ii) Unsecured	74,835	-	74,835	74,835	-	74,835
Total Gross Loans	**19,60,977**	**29,29,040**	**48,90,017**	**15,90,118**	**23,48,257**	**39,38,375**
Less:Impairment loss allowance	(51,684)	(52,913)	(1,04,597)	(39,143)	(52,913)	(92,056)
Total Net Loans	**19,09,293**	**28,76,127**	**47,85,420**	**15,50,975**	**22,95,344**	**38,46,319**
C. Based on region						
(I) Loans in India						
(i) Public Sector	-	-	-	-	-	-
(ii) Others	19,60,977	29,29,040	48,90,017	15,90,118	23,48,257	39,38,375
Total Gross	**19,60,977**	**29,29,040**	**48,90,017**	**15,90,118**	**23,48,257**	**39,38,375**
Less:Impairment loss allowance	(51,684)	(52,913)	(1,04,597)	(39,143)	(52,913)	(92,056)
Total (I)-Net	**19,09,293**	**28,76,127**	**47,85,420**	**15,50,975**	**22,95,344**	**38,46,319**
(II) Loans outside India						
Loans outside India	-	-	-	-	-	-
Total (I) and (II)	**19,09,293**	**28,76,127**	**47,85,420**	**15,50,975**	**22,95,344**	**38,46,319**

Notes :

1 Security details

Secured exposures that are secured by underlying assets hypothecated with the Group.

2 There is no loan assets measured at FVTPL or designated at FVTPL.

3 Loans and advances to promotors, directors, KMPs and related parties.

Type of Borrower	Loans and advances in the nature of loan outstanding	% to total loans and advances in the nature of loan
Promoters	-	-
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior officers and their relatives	-	-
KMPs	-	-
Related parties	-	-

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8 Investments

INR In Lakhs

Particulars	Units (in absolute nos.)	As at 31 March 2025	Units (in absolute nos.)	As at 31 March 2024
(i) Investments in equity instruments (In associate/joint venture) (refer note below)				
Investments in equity instruments of associate, at cost				
HLF Services Limited of Rs.10/- each	2,52,450	946	22,950	796
Investments in equity instruments of joint venture, at cost				
'Gro Digital Platforms Limited of Rs.10/- each	2,49,99,997	1,735	99,99,997	1,492
		2,681		**2,288**
(ii) Other investments				
Measured at fair value through profit and loss				
Investment in mutual funds (quoted)				
Investment in mutual fund	97,08,406	1,24,713	-	-
Measured at fair value through profit and loss				
Investment in equity shares (quoted)				
Investment in equity shares	2,44,04,436	4,119	2,44,04,436	5,650
Investment in security receipts (unquoted)*				
Investment in security receipts		46,571		55,268
Measured at amortised cost				
'Investment in Indian Government securities (Quoted)		75,983		54,789
Investment in debentures (unquoted)				
Non-convertible redeemable debentures		6,181		13,067
Investment in debentures (quoted)				
Non-convertible redeemable debentures		59,819		35,826
Investment in pass-through certificates (unquoted)				
Investment in pass-through certificates		6,249		23,393
Measured at fair value through profit and loss				
Investment in funds (unquoted)				
Investment in alternative investment funds		1,765		1,958
Less: Provision for diminution in value of investments		-		-
Gross Investments		**3,25,400**		**1,89,951**
(i) Investments outside India		-		-
(ii) Investments in India		3,28,081		1,92,239
Gross Investments		**3,28,081**		**1,92,239**
Total		**3,28,081**		**1,92,239**

Notes:

Details of equity accounted associate : 45.90% stake in HLF Services Limited	As at 31 March 2025	As at 31 March 2024
(i) Cost of investment (including Goodwill of INR NIL) on consolidation	2	2
(ii) Share of profits	944	794
Total	**946**	**796**

Details of equity accounted joint venture : 49.90% stake in Gro Digital Platforms Limited	As at 31 March 2025	As at 31 March 2024
(i) Cost of investment (including Goodwill of INR NIL) on consolidation	2,500	2,500
(ii) Share of profits	(765)	(1,008)
Total	**1,735**	**1,492**

For the year ended 31 March 2025

*Investment in security receipts	Gross	Impairment	Net
Opening balance as on 01 April 2024	80,456	25,188	55,268
Fresh investment / impairment for the year	-	3,267	(3,267)
Redemption / reversal for the year	5,430	-	5,430
Closing balance as on 31 March 2025	75,026	28,455	46,571

For the year ended 31 March 2024

*Investment in security receipts	Gross	Impairment	Net
Opening balance as on 01 April 2023	93,804	15,895	77,909
Fresh investment / impairment for the year	-	9,293	(9,293)
Redemption / reversal for the year	13,348	-	13,348
Closing balance as on 31 March 2024	80,456	25,188	55,268

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INR In Lakhs

9 Other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Receivables from related parties (refer note 38)		
Dues from Ashok leyland Limited (Holding Company)	-	9
Dues from Gro Digital Platforms Limited (Joint Venture)	-	38
Employee advances	362	173
Security deposits	957	834
Other receivables	3,465	2,443
Gratuity receivables	-	15
Receivable from assigned loans (refer note below)	87,268	60,143
Total	**92,052**	**63,655**

Note:

Particulars	Gross	Impairment	Net
As on 31 March 2025	1,08,863	21,595	87,268
As on 31 March 2024	78,658	18,515	60,143

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INR In Lakhs

10 Property, plant and equipment and capital work in progress

Particulars	Freehold land	Buildings	Lease commercial vehicles	Servers and computers	Furniture and fittings	Motor vehicles	Office equipment	Leasehold improvements	Total
Gross block									
As at 1 April 2023	6,043	1,464	1,496	2,921	326	151	174	315	12,890
Additions	-	-	23,618	1,428	193	89	243	25	25,596
Deletions	-	-	-	108	-	5	-	-	113
As at 31 March 2024	**6,043**	**1,464**	**25,114**	**4,241**	**519**	**235**	**417**	**340**	**38,373**
Additions	-	-	14,640	1,189	122	-	127	22	16,100
Deletions	-	-	-	258	-	106	-	-	364
As at 31 March 2025	**6,043**	**1,464**	**39,754**	**5,172**	**641**	**129**	**544**	**362**	**54,109**
Accumulated depreciation									
As at 1 April 2023	-	266	11	1,791	136	63	102	187	2,556
Depreciation for the year	-	27	1,875	647	48	35	44	25	2,701
Deletion	-	-	-	40	-	-	-	-	40
As at 31 March 2024	**-**	**293**	**1,886**	**2,398**	**184**	**98**	**146**	**212**	**5,217**
Depreciation for the year	-	27	5,272	954	75	22	81	31	6,462
Deletion	-	-	-	131	-	106	-	-	237
As at 31 March 2025	**-**	**320**	**7,158**	**3,220**	**259**	**14**	**227**	**243**	**11,441**
Carrying amount (net)									
As at 31 March 2025	**6,043**	**1,144**	**32,596**	**1,952**	**382**	**115**	**317**	**119**	**42,668**
As at 31 March 2024	**6,043**	**1,171**	**23,228**	**1,843**	**335**	**137**	**271**	**128**	**33,156**

10A

Capital Work in Progress	01 April 2024	Additions	Capitalised	Disposals	31 March 2025
	2,706	1,861	952	-	3,615

Capital-Work-in Progress (CWIP) as on 31 March 2025	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	1,980	1,344	275	16	3,615
Projects temporarily suspended	-	-	-	-	-

Capital Work in Progress	01 April 2023	Additions	Capitalised	Disposals	31 March 2024
	381	2,415	90	-	2,706

Capital-Work-in Progress (CWIP) as on 31 March 2024	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	2,415	275	16	-	2,706
Projects temporarily suspended	-	-	-	-	-

* The cost of projects in progress has not exceeded the budgeted cost as per original plan.

INR In Lakhs

10B Intangible assets

Particulars	Computer software	Total
As at 1 April 2023	**250**	**250**
Additions	14	14
As at 31 March 2024	**264**	**264**
Additions	63	63
As at 31 March 2025	**327**	**327**
Accumulated depreciation		
As at 1 April 2023	**125**	**125**
Depreciation for the year	44	44
As at 31 March 2024	**169**	**169**
Depreciation for the year	50	50
As at 31 March 2025	**219**	**219**
Carrying amount (net)		
As at 31 March 2025	**108**	**108**
As at 31 March 2024	**95**	**95**

10C Right of use asset (refer note 40)

Particulars	Right of use asset	Total
Gross block		
As at 1 April 2023	7,394	7,394
Additions	4,270	4,270
Deletion	1,981	1,981
As at 31 March 2024	**9,683**	**9,683**
Additions	2,819	2,819
Deletion	1,217	1,217
As at 31 March 2025	**11,285**	**11,285**
Accumulated amortisation		
As at 1 April 2023	2,406	2,406
Amortisation for the year	1,865	1,865
Deletion	1,090	1,090
As at 31 March 2024	**3,181**	**3,181**
Amortisation for the year	2,189	2,189
Deletion	1,126	1,126
As at 31 March 2025	**4,244**	**4,244**
Carrying amount (net)		
As at 31 March 2025	**7,041**	**7,041**
As at 31 March 2024	**6,502**	**6,502**

DESCRIPTION	Gross Block (Cost)				Depreciation / Amortisation / Impairment				31 March 2025
	01-Apr-24	Additions	Disposals	31-Mar-25	01-Apr-24	Additions	Disposals	31-Mar-25	
Buildings	8,884	2,819	1,217	10,486	2,979	2,106	1,125	3,960	6,526
Yards	799	-	-	799	201	83	-	284	515
TOTAL	9,683	2,819	1,217	11,285	3,181	2,189	1,125	4,244	7,041

DESCRIPTION	Gross Block (Cost)				Depreciation / Amortisation / Impairment				31 March 2024
	01-Apr-23	Additions	Disposals	31-Mar-24	01-Apr-23	Additions	Disposals	31-Mar-24	
Buildings	6,558	4,270	1,944	8,884	2,286	1,781	1,088	2,979	5,905
Yards	836	-	37	799	120	83	2	201	598
TOTAL	7,394	4,270	1,981	9,683	2,406	1,865	1,090	3,181	6,502

Notes:

1.Escalation clause - the percentage of escalation is up to a maximum of 20%.

2.Discounting rate used for the purpose of computing right to use asset 9.31%.

3.The lease period ranges from 2 years to 15 years over which the right to use asset is depreciated on a straight line basis.

4.Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any major covenants other than the security interests in the leased assets that are held by the lessor. Leased assets are not used as security for borrowing purposes.

11 Other non-financial assets **INR In Lakhs**

Particulars	As at 31 March 2025	As at 31 March 2024
Prepaid expenses	1,170	557
Balance receivable from government authorities	12,538	9,854
Capital advances	1,980	1,067
Total	**15,688**	**11,478**

12 Derivative financial instruments (refer notes. 43 and 45)

Particulars	As at 31 March 2025			As at 31 March 2024		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilites	Notional amounts	Fair Value - Assets	Fair Value - Liabilites
Part I						
(i) Other derivatives - Cross currency interest rate swap	1,01,617	531	820	20,831	-	165
(ii) Interest rate swaps	-	-	-	-	-	-
(iii) Forward contracts	92,242	-	2,048	-	-	-
Total derivative financial Instruments	1,93,859	531	2,868	20,831	-	165
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Cash flow hedging:						
Others - Cross currency interest rate swap	1,01,617	531	820	20,831	-	165
(ii) Interest rate swaps	-	-	-	-	-	-
(iii) Forward contracts	92,242	-	2,048	-	-	-
Total derivative financial Instruments	1,93,859	531	2,868	20,831	-	165

The Group has a Board approved policy for entering into derivative transactions. Derivative transaction comprises of currency, interest rate swaps. The Group undertakes such transactions for hedging interest / foreign exchange risk on borrowing.

The asset liability management committee and business committee periodically monitors and reviews the risks involved.
The notional amount for interest rate swap represents the foreign currency borrowing on which Group has entered to hedge the variable interest rate.

13 Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	8,526	3,019
Total	**8,526**	**3,019**

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

Particulars	As at 31 March 2025	As at 31 March 2024
(a) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
(b) the amount of interest paid by the Group in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Trade payables ageing schedule as at 31 March 2025

Ageing	Unbilled	MSME	Others	Disputed dues – MSME	Disputed dues - Others
Outstanding for following periods from due date of payment					
Less than 1 year	8,526	-	-	-	-
1-2 years	-	-	-	-	-
2-3 years	-	-	-	-	-
More than 3 years	-	-	-	-	-

Trade payables ageing schedule as at 31 March 2024

Ageing	Unbilled	MSME	Others	Disputed dues – MSME	Disputed dues - Others
Outstanding for following periods from due date of payment					
Less than 1 year	3,019	-	-	-	-
1-2 years	-	-	-	-	-
2-3 years	-	-	-	-	-
More than 3 years	-	-	-	-	-

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INR In Lakhs

14 Debt securities

Particulars	As at 31 March 2025	As at 31 March 2024
Measured at amortised cost:		
Secured		
136000 (31 March 2024: 43,000) Redeemable non-convertible debentures (NCD) (refer notes 14.1 and 14.2)	1,36,240	43,105
Total (A)	**1,36,240**	**43,105**
Debt securities in India	1,36,240	43,105
Debt securities outside India	-	-
Total (A)	**1,36,240**	**43,105**
Total (A+B)	**1,36,240**	**43,105**

14.1 Security:

The redeemable non-convertible debentures issued by the Group are secured by exclusive charge on hypothecation of specific loan receivables with a security cover of upto 110% as per the terms of issue.

14.2 Terms of repayment of debt securities:

86,000 debentures with face value of Rs.1,00,000/- (31 March 2024: 43,000 debentures with face value of Rs.1,00,000/-) were outstanding as on 31 March 2025. These debentures carry interest rates ranging from 8.60% p.a. to 8.80% p.a. and the redemption period is 3 years to 5 years from the date of allotment.

50,000 debentures with face value of Rs. 1,00,000/- (31 March 2024: Nil) were outstanding as on 31 March 2025, with put option on 14-05-2026 and 14-11-2026. The due date is 14-11-2027.

15 Borrowings (Other than debt securities)

Particulars	As at 31 March 2025	As at 31 March 2024
Secured borrowings		
Term Loan (refer note 15.1,15.2 and 15.3)		
'i) From banks		
- Term Loan from banks	35,71,080	29,20,984
- External Commercial Borrowings	1,01,617	20,831
'ii) From financial institution	3,80,117	2,99,990
Cash credit and working capital demand loans from banks (refer note 15.1 and 6.2)	67,140	70,151
Total	**41,19,954**	**33,11,956**
Unsecured borrowings		
Commercial papers (refer 15.4)	9,873	1,47,908
Total (B)	**9,873**	**1,47,908**
Borrowings in India	40,28,210	34,59,864
Borrowings outside India	1,01,617	-
Total	**41,29,827**	**34,59,864**
Total	**41,29,827**	**34,59,864**

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HINDUJA LEYLAND FINANCE LIMITED

Notes to consolidated financial statements for year ended 31 March 2025

INR In Lakhs

Secured borrowing

15.1 Term loan, cash credit and working capital demand loans from banks and financial institutions are secured by charge on loan receivables and eligible investments other than those that are specifically charged to the lenders. The Company generally gives exclusive charges. These facilities carry interest rates ranging from "MCLR of the respective bank" per annum" to "MCLR of the respective bank + spread". Some of the facilities also carry interest linked with other benchmark like T-bill rates or Repo rates or other benchmark. As at 31 March 2025, the rate of interest across the loans was in the range of 6.65% p.a to 9.88% p.a.Cash credit and working capital demand loans from banks are payable on demand.

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

3 Nature of security

Term loans from baTerm loans from banks are secured by exclusive charge by way of hypothication of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

4 Commercial papers carry interest rate of 8.05% p.a.Commercial papers are issued for a period of 171 days. The outstanding commerical papers as at 31 March 2025 will be repayable within 1 year.

5 Borrowings & Commercial Paper - Terms of Repayment:

31 March 2025	0 - 1 Year	1 - 3 Years	3 - 5 Years	> 5 Years	Total
Borrowings (other than debt securities)	11,66,350	19,50,444	7,77,288	2,25,872	41,19,954
Commercial Paper	1,47,908	-	-	-	1,47,908

31 March 2024	0 - 1 Year	1 - 3 Years	3 - 5 Years	> 5 Years	Total
Borrowings (other than debt securities)	9,45,583	15,13,865	7,15,325	1,37,183	33,11,956
Commercial Paper	1,47,908	-	-	-	1,47,908

16 Subordinated liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Measured at amortised cost:		
Subordinated redeemable non-convertible debentures (Sub-Debt) (refer 16.1)	2,84,693	1,67,263
Other sub-ordinated unsecured loans (Sub-Debt) (refer note 16.2)	38,595	-
Total (A)	**3,23,288**	**1,67,263**
Subordinated Liabilities in India	3,23,288	1,67,263
Subordinated Liabilities outside India	-	-
Total (B)	**3,23,288**	**1,67,263**

16.1 **Details relating to subordinated redeemable non-convertible debentures**

253350 (31 March 2024: 56,950) debentures with a face value of Rs.1,00,000 to Rs. 10,00,000/- were outstanding as on 31 March 2025.These debentures carry interest rates ranging from 9.25% p.a. to 9.75% p.a. and the redemption period is 5.4 years to 15.01 years.

The aforesaid debentures are listed at BSE Limited.

16.2 **Details relating to sub-ordinated unsecured loans**

As at 31 March 2025 and 31 March 2024, the Unsecured subordinated loans carries interest rate is 11.31% p.a. and the redemption period is 5.5 years.

16.3 **Terms of Repayment :**

31 March 2025	0 - 1 Year	1 - 3 Years	3 - 5 Years	> 5 Years	Total
Secured non-convertible debentures	10,449	96,480	29,311	-	1,36,240
Unsecured non-convertible debentures	2,030	32,292	53,557	2,35,409	3,23,288

31 March 2024	0 - 1 Year	1 - 3 Years	3 - 5 Years	> 5 Years	Total
Secured non-convertible debentures	295	42,810	-	-	43,105
Unsecured non-convertible debentures	55,953	32,169	4,925	74,216	1,67,263

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Notes to consolidated financial statements for year ended 31 March 2025

INR In Lakhs

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

As at 31 March 2025

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 1	18,174	Repayable in 17 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 2	6,316	Repayable in 12 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 3	29,474	Repayable in 14 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 4	16,842	Repayable in 16 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 5	1,875	Repayable in 6 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 6	2,500	Repayable in 6 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 7	23,684	Repayable in 15 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 8	5,789	Repayable in 11 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 9	11,579	Repayable in 11 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 10	14,000	Repayable in 14 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 11	41,250	Repayable in 15 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 12	833	Repayable in 3 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 13	5,556	Repayable in 4 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 14	1,388	Repayable in 5 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 15	4,171	Repayable in 5 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 16	22,500	Repayable in 9 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

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Notes to consolidated financial statements for year ended 31 March 2025

INR In Lakhs

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

As at 31 March 2025

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 17	67,500	Repayable in 18 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 18	43,745	Repayable in 14 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 19	49,996	Repayable in 18 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 20	12,440	Repayable in 4 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 21	1,872	Repayable in 1 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 22	37,218	Repayable in 14 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 23	47,366	Repayable in 18 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 24	21,872	Repayable in 7 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 25	53,705	Repayable in 15 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 26	89,995	Repayable in 18 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 27	47,495	Repayable in 19 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 28	23,679	Repayable in 9 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 29	28,697	Repayable in 11 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 30	46,854	Repayable in 12 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 31	32,211	Repayable in 13 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 32	2,975	Repayable in 1 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

R. SUBRAMANIAN AND COMPANY LLP Chennai 600 004 ★ Chartered Accountants ★

HINDUJA LEYLAND FINANCE LIMITED ★ Guindy, Chennai - 32 ★

HINDUJA LEYLAND FINANCE LIMITED
Notes to consolidated financial statements for year ended 31 March 2025

INR In Lakhs

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

As at 31 March 2025

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 33	9,237	Repayable in 3 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 34	18,330	Repayable in 11 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 35	50,000	Repayable in 18 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 36	13,329	Repayable in 8 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 37	4,996	Repayable in 6 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 38	4,208	Repayable in 16 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 39	3,325	Repayable in 6 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 40	41,988	Repayable in 1 Bullet Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 41	20,831	Repayable in 1 Bullet Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 42	20,880	Repayable in 1 Bullet Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 43	6,667	Repayable in 8 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 44	13,333	Repayable in 8 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 45	13,333	Repayable in 8 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 46	8,431	Repayable in 44 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 47	10,000	Repayable in 78 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 48	3,328	Repayable in 4 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

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R. SUBRAMANIAN AND COMPANY LLP * Chennai 600 004 * Chartered Accountants

HINDUJA LEYLAND FINANCE LIMITED * Guindy, Chennai - 32 *

HINDUJA LEYLAND FINANCE LIMITED
Notes to consolidated financial statements for year ended 31 March 2025

INR In Lakhs

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

As at 31 March 2025

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 49	23,328	Repayable in 10 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 50	5,833	Repayable in 7 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 51	5,832	Repayable in 7 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 52	2,999	Repayable in 3 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 53	3,571	Repayable in 6 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 54	6,548	Repayable in 11 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 55	25,000	Repayable in 24 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 56	16,875	Repayable in 27 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 57	6,250	Repayable in 30 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 58	21,875	Repayable in 30 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 59	27,500	Repayable in 33 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 60	30,000	Repayable in 36 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 61	3,750	Repayable in 36 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 62	7,500	Repayable in 36 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 63	7,500	Repayable in 36 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 64	28,438	Repayable in 39 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

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R. SUBRAMANIAN AND COMPANY LLP Chennai 600 004 Chartered Accountants

HINDUJA LEYLAND FINANCE LIMITED Guindy, Chennai-32

INR In Lakhs

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

As at 31 March 2025

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 65	12,188	Repayable in 39 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 66	12,188	Repayable in 39 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 67	13,125	Repayable in 42 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 68	13,125	Repayable in 42 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 69	30,625	Repayable in 42 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 70	4,688	Repayable in 45 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 71	9,375	Repayable in 45 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 72	46,875	Repayable in 45 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 73	65,000	Repayable in 42 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 74	22,500	Repayable in 12 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 75	3,750	Repayable in 12 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 76	8,250	Repayable in 11 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 77	20,000	Repayable in 12 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 78	17,778	Repayable in 16 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 79	500	Repayable in 2 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 80	1,500	Repayable in 3 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

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HINDUJA LEYLAND FINANCE LIMITED Guindy, Chennai - 32

HINDUJA LEYLAND FINANCE LIMITED
Notes to consolidated financial statements for year ended 31 March 2025

INR In Lakhs

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

As at 31 March 2025

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 81	1,120	Repayable in 3 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 82	4,124	Repayable in 3 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 83	1,250	Repayable in 10 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 84	3,749	Repayable in 10 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 85	3,055	Repayable in 11 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 86	6,111	Repayable in 11 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 87	10,000	Repayable in 12 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 88	7,500	Repayable in 15 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 89	12,000	Repayable in 16 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 90	36,000	Repayable in 16 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 91	4,250	Repayable in 17 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 92	42,500	Repayable in 17 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 93	833	Repayable in 20 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 94	1,749	Repayable in 21 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 95	3,667	Repayable in 22 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 96	2,750	Repayable in 22 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

R. SUBRAMANIAN AND COMPANY LLP Chennai 600 004 * Chartered Accountants *

HINDUJA LEYLAND FINANCE LIMITED * Guindy, Chennai-32. *

HINDUJA LEYLAND FINANCE LIMITED
Notes to consolidated financial statements for year ended 31 March 2025

INR In Lakhs

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

As at 31 March 2025

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 97	5,750	Repayable in 23 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 98	3,833	Repayable in 23 Monthly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 99	15,000	Repayable in 18 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 100	2,483	Repayable in 4 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 101	3,734	Repayable in 6 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 102	11,231	Repayable in 12 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 103	4,686	Repayable in 6 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 104	2,496	Repayable in 3 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 105	6,617	Repayable in 9 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 106	10,312	Repayable in 11 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 107	30,000	Repayable in 1 Bullet Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 108	4,050	Repayable in 2 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 109	30,000	Repayable in 1 Bullet Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 110	30,000	Repayable in 12 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 111	31,310	Repayable in 17 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 112	6,972	Repayable in 7 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

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HINDUJA LEYLAND FINANCE LIMITED * Guindy, Chennai - 32 *

HINDUJA LEYLAND FINANCE LIMITED
Notes to consolidated financial statements for year ended 31 March 2025

INR In Lakhs

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

As at 31 March 2025

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 113	3,868	Repayable in 7 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 114	15,495	Repayable in 7 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 115	8,315	Repayable in 10 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 116	8,317	Repayable in 10 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 117	5,543	Repayable in 10 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 118	2,768	Repayable in 10 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 119	8,314	Repayable in 10 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 120	8,319	Repayable in 10 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 121	2,769	Repayable in 10 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 122	2,770	Repayable in 10 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 123	8,316	Repayable in 10 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 124	24,455	Repayable in 14 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 125	10,481	Repayable in 14 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 126	17,473	Repayable in 14 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 127	20,968	Repayable in 14 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 128	10,482	Repayable in 14 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

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HINDUJA LEYLAND FINANCE LIMITED Guindy, Chennai - 32

HINDUJA LEYLAND FINANCE LIMITED
Notes to consolidated financial statements for year ended 31 March 2025

INR In Lakhs

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

As at 31 March 2025

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 129	6,986	Repayable in 14 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 130	13,977	Repayable in 14 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 131	17,473	Repayable in 14 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 132	17,918	Repayable in 1 Bullet Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 133	23,078	Repayable in 6 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 134	18,600	Repayable in 4 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 135	47,896	Repayable in 13 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 136	59,000	Repayable in 14 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 137	25,716	Repayable in 18 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 138	63,334	Repayable in 19 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 139	9,977	Repayable in 5 Yearly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 140	5,750	Repayable in 2 Yearly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 141	1,750	Repayable in 2 Yearly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 142	33,338	Repayable in 12 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 143	44,444	Repayable in 16 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 144	1,00,000	Repayable in 18 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

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HINDUJA LEYLAND FINANCE LIMITED Guindy, Chennai - 32

HINDUJA LEYLAND FINANCE LIMITED
Notes to consolidated financial statements for year ended 31 March 2025

INR In Lakhs

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

As at 31 March 2025

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 145	72,500	Repayable in 18 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 146	19,742	Repayable in 5 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 147	84,000	Repayable in 18 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 148	23,330	Repayable in 14 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 149	47,354	Repayable in 18 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 150	4,622	Repayable in 20 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 151	4,623	Repayable in 20 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 152	3,750	Repayable in 1 Half Yearly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 153	2,500	Repayable in 2 Half Yearly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 154	5,000	Repayable in 2 Half Yearly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 155	12,500	Repayable in 2 Half Yearly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 156	1,00,000	Repayable in 26 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 157	99,801	Repayable in 30 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 158	5,263	Repayable in 5 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 159	19,438	Repayable in 7 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 160	23,674	Repayable in 9 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.

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INR In Lakhs

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

As at 31 March 2025

Particulars	Amount	Terms of redemption/ repayment	Security
Term Loan - 161	6,311	Repayable in 12 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 162	34,201	Repayable in 13 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 163	84,210	Repayable in 16 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Term Loan - 164	5,000	Repayable in 18 Quarterly Instalments	Secured by exclusive charge by way of hypothecation of specific receivables and investments in pass through certificates with security covers ranging from 102% to 112% of loan amount.
Total	32,04,870		
EIR adjustments	-14,018		
Total Term Loans from Banks	**31,90,852**		

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HINDUJA LEYLAND FINANCE LIMITED

Notes to consolidated financial statements for year ended 31 March 2025

As at 31 March 2025

INR In Lakhs

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

Particulars	Amount	Terms of redemption/ repayment	Security
Term loans from banks			
Term loan - 1	4,322.29 (6,827.37)	Repayable in 96 Equal Monthly installments Remaining no. of installments: 21	Exclusive charge on Specific receivables
Term loan - 2	- (523.32)	Repayable in 57 Equal Monthly installments Remaining no. of installments: 0	Exclusive hypothecation of standard receivables
Term loan - 3	4,824.00 (6,440.00)	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 12	Exclusive charge on the company's receivables
Term loan - 4	2,902.00 (3,870.00)	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 12	Exclusive charge on the priority sector receivables (housing) (created out of loan proceeds)
Term loan - 5	3,561.81 (4,990.16)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 10	Exclusive charge on the receivables
Term loan - 6	3,189.43 (4,622.15)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 9	Exclusive floating charge on specific book debts and future receivables
Term loan - 7	331.93 (2,116.93)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 2	Exclusive charge on receivables of the company
Term loan - 8	1,227.85 (1,944.79)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 7	Exclusive Floating charge on specific book debts and future receivables
Term loan - 9	2,140.61 (3,568.61)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 7	Exclusive charge on receivables of the company
Term loan - 10	- (1,661.95)	Repayable in 24 Equal Quarterly installments Remaining no. of installments: 0	Exclusive charge on specific receivables
Term loan - 11	1,248.06 (2,500.00)	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 5	Exclusive charge on the unencumbered identified set of receivables from standard assets portfolio of receivables.
Term loan - 12	- (619.82)	Repayable in 24 Equal Quarterly installments Remaining no. of installments: 0	First charge by way of hypothecation of the specific future receivables from the performing loan portfolio, which are identified by the company from time to time
Term loan - 13	- (3,863.04)	Repayable in 72 Equal Monthly installments Remaining no. of installments: 0	Exclusive charge on specific receivables
Term loan - 14	9,979.03 (12,835.61)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 14	Exclusive charge on the receivables
Term loan - 15	3,131.85 (4,242.97)	Repayable in 81 Equal Monthly installments Remaining no. of installments: 34	Exclusive charge on the priority sector receivables (housing)
Term loan - 16	5,342.21 (7,133.39)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 15	First charge by way of hypothecation of the specific future receivables from the performing loan portfolio, which are identified by the company from time to time
Term loan - 17	- (6,147.48)	Repayable in 26 Equal Quarterly installments Remaining no. of installments: 0	Exclusive charge on the receivables
Term loan - 18	2,000.00 (4,000.00)	Repayable in 60 Equal Monthly installments Remaining no. of installments: 12	Exclusive charge on the priority sector receivables (housing)
Term loan - 19	4,985.33 (6,414.82)	Repayable in 84 Equal Monthly installments Remaining no. of installments: 42	Exclusive charge of specific receivables from the performing loan portfolio
Term loan - 20	12,497.86 (15,356.38)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 19	Exclusive charge on the receivables

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Particulars	Amount	Terms of redemption/ repayment	Security
Term loan - 21	3,995.14 (5,596.32)	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 10	Exclusive charge on specific housing loan receivables
Term loan - 22	3,887.94 (5,277.59)	Repayable in 81 Equal Monthly installments Remaining no. of installments: 42	Exclusive hypothecation of PSL receivables
Term loan - 23	4,000.00 (6,000.00)	Repayable in 60 Equal Monthly installments Remaining no. of installments: 24	Exclusive charge on specific loan receivables
Term loan - 24	6,749.99 (8,178.21)	Repayable in 30 Equal Quarterly installments Remaining no. of installments: 20	Exclusive charge on the standard receivables
Term loan - 25	12,494.90 (15,829.46)	Repayable in 24 Equal Quarterly installments Remaining no. of installments: 15	Exclusive charge on standard loan receivables
Term loan - 26	6,090.01 (7,344.00)	Repayable in 96 Equal Monthly installments Remaining no. of installments: 59	Exclusive charge on priority sector house mortgage loans/ assets
Term loan - 27	7,381.71 (8,636.46)	Repayable in 96 Equal Monthly installments Remaining no. of installments: 71	Exclusive charge on priority sector house mortgage loans/ assets
Term loan - 28	8,224.00 (10,160.00)	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 17	Exclusive charge on the company's receivables
Term loan - 29	12,905.00 (15,485.00)	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 20	Exclusive charge on the company's receivables
Term loan - 30	1,253.90 (2,812.21)	Repayable in 16 Equal Quarterly installments Remaining no. of installments: 4	Exclusive charge of specific standard receivables
Term loan - 31	10,768.68 (13,845.68)	Repayable in 26 Equal Quarterly installments Remaining no. of installments: 14	Exclusive charge on the receivables
Term loan - 32	5,948.41 (7,378.19)	Repayable in 84 Equal Monthly installments Remaining no. of installments: 50	Exclusive hypothecation of book debts
Term loan - 33	15,382.94 (21,153.24)	Repayable in 26 Equal Quarterly installments Remaining no. of installments: 16	Exclusive charge of specific standard receivables
Term loan - 34	0 (9,027.74)	Repayable in 18 Equal Quarterly installments Remaining no. of installments: 0	Exclusive charge on identified receivables of the company
Term loan - 35	2,221.15 (3,611.15)	Repayable in 18 Equal Quarterly installments Remaining no. of installments: 8	Exclusive charge on identified receivables of the company
Term loan - 36	32,002.00 (37,334.00)	Repayable in 30 Equal Quarterly installments Remaining no. of installments: 24	Exclusive charge of specific standard receivables
Term loan - 37	3,455.58 (4,382.74)	Repayable in 81 Equal Monthly installments Remaining no. of installments: 56	Exclusive charge of specific standard receivables which are forming part of PSL portfolio
Term loan - 38	6,911.07 (8,765.25)	Repayable in 81 Equal Montly installments Remaining no. of installments: 56	Exclusive charge of specific standard receivables which are forming part of Non PSL portfolio
Term loan - 39	4,999.98 (6,048.37)	Repayable in 93 Equal Monthly installments Remaining no. of installments: 63	Exclusive charge on the company's receivables
Term loan - 40	5,161.29 (6,129.03)	Repayable in 93 Equal Monthly installments Remaining no. of installments: 64	Exclusive charge on the company's receivables
Term loan - 41	7,741.93 (9,032.25)	Repayable in 93 Equal Monthly installments Remaining no. of installments: 72	Exclusive charge on the company's receivables
Term loan - 42	7,588.34 (8,841.96)	Repayable in 96 Equal Monthly installments Remaining no. of installments: 73	Exclusive charge of specific standard receivables
Term loan - 43	17,485.42 (19,994.24)	Repayable in 96 Equal Monthly installments Remaining no. of installments: 84	Exclusive charge of specific standard receivables
Term loan - 44	23,558.74 (27,845.66)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 22	Exclusive charge on the company's receivables
Term loan - 45	14,140.59 (17,482.87)	Repayable in 72 Equal Monthly installments Remaining no. of installments: 51	Exclusive charge of specific standard receivables
Term loan - 46	13,800.36 (16,659.05)	Repayable in 84 Equal Monthly installments Remaining no. of installments: 58	Exclusive charge of specific standard receivables

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Particulars	Amount	Terms of redemption/ repayment	Security
Term loan - 47	6,785.71 (8,214.24)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 20	Exclusive charge of specific standard receivables
Term loan - 48	3,038.19 (3,911.62)	Repayable in 23 Equal Quarterly installments Remaining no. of installments: 14	Exclusive charge of specific standard receivables
Term loan - 49	7,398.48 (8,999.27)	Repayable in 18 Quarterly installments Remaining no. of installments: 10	Exclusive charge of specific standard receivables
Term loan - 50	0 (4,721.86)	Repayable in 90 Equal Monthly installments Remaining no. of installments: 0	Exclusive charge on specific receivables / book debts other than those specifically charged to other lenders
Term loan - 51	4,875.00 (6,375.00)	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 13	Exclusive charge of specific standard receivables
Term loan - 52	27,339.05 (31,712.04)	Repayable in 32 Equal Quarterly installments Remaining no. of installments: 25	Exclusive charge of specific standard receivables
Term loan - 53	42,600.90 (48,507.40)	Repayable in 102 Equal Monthly installments Remaining no. of installments: 87	Exclusive charge of specific standard receivables
Term loan - 54	3,330.90 (5,000.00)	Repayable in 18 Equal Quarterly installments Remaining no. of installments: 13	Exclusive charge on identified receivables of the company
Term loan - 55	16,914.97 (19,999.75)	Repayable in 78 Equal Monthly installments Remaining no. of installments: 66	Exclusive charge of specific standard receivables
Term loan - 56	8,999.33 (9,999.86)	Repayable in 18 Quarterly installments Remaining no. of installments: 14	Exclusive charge of specific standard receivables
Term loan - 57	8,145.07 (9,628.71)	Repayable in 81 Equal Monthly installments Remaining no. of installments: 66	Exclusive charge of specific standard receivables
Term loan - 58	27,846.90 (20,999.39)	Repayable in 28 Quarterly installments Remaining no. of installments: 26	Exclusive charge of specific standard receivables
Term loan - 59	10,261.50 (13,000.00)	Repayable in 19 Quarterly installments Remaining no. of installments: 14	Exclusive charge on identified receivables of the company
Term loan - 60	17,500.00 (19,996.39)	Repayable in 27 Quarterly installments Remaining no. of installments: 24	Exclusive charge of specific standard receivables
Term loan - 61	67,500.00 (37,500.00)	Repayable in 30 Quarterly installments Remaining no. of installments: 27	Exclusive charge of specific standard receivables which are forming part of PSL portfolio
Term loan - 62	45,828.70 (34,997.51)	Repayable in 24 Quarterly installments Remaining no. of installments: 22	Exclusive charge of specific standard receivables
Term loan - 63	11,250.00 (14,249.92)	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 15	Exclusive charge of specific standard receivables
Term loan - 64	21,872.77 (24,999.91)	Repayable in 32 Equal Quarterly installments Remaining no. of installments: 28	Exclusive charge of specific standard receivables
Term loan - 65	12,000.00 (14,997.15)	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 16	Exclusive charge of specific standard receivables
Term loan - 66	28,569.91 -	Repayable in 84 Equal Quarterly installments Remaining no. of installments: 80	Exclusive charge of specific standard receivables
Term loan - 67	4,500.00 -	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 18	Exclusive charge of specific standard receivables
Term loan - 68	39,751.15 -	Repayable in 114 Equal Monthly installments Remaining no. of installments: 113	Exclusive charge of specific standard receivables
Term loan - 69	9,474.64 -	Repayable in 19 Equal Quarterly installments Remaining no. of installments: 18	Exclusive charge of specific standard receivables
Term loan - 70	19,139.78 -	Repayable in 93 Equal Monthly installments Remaining no. of installments: 90	Exclusive charge on the company's receivables
Term loan - 71	48,998.27 -	Repayable in 30 Equal Quarterly installments Remaining no. of installments: 30	Exclusive charge of specific standard receivables

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Particulars	Amount	Terms of redemption/ repayment	Security
Term loan - 72	19,999.31 -	Repayable in 78 Equal Monthly installments Remaining no. of installments: 78	Exclusive charge of specific standard receivables
Term loan - 73	29,991.82 -	Repayable in 102 Equal Monyhly installments Remaining no. of installments: 102	Exclusive charge of specific standard receivables
Term loan - 74	4,999.86 -	Repayable in 24 Equal Quarterly installments Remaining no. of installments: 24	Exclusive charge of specific standard receivables
Term loan - 75	17,500.00 -	Repayable in 38 Equal Quarterly installments Remaining no. of installments: 38	Exclusive charge of specific standard receivables
Total term loans from banks	**8,66,245.55** **(7,40,339.46)**		

Note:

(i) Figures in bracket represents the figures for FY 2023-24

(ii) Maturity profile above is disclosed at face value which excludes the impact of effective rate of interest amounting to INR 5,113.93 Lakhs (31 March 2024 - INR 2,680.49 Lakhs) & Accrued Interest amounting and others amounting to INR (830.45) Lakhs (31 March 2024-INR (1,229.80) Lakhs).

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HINDUJA LEYLAND FINANCE LIMITED

Notes to consolidated financial statements for year ended 31 March 2025

17 Other financial liabilities

INR In Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Interest accrued but not due on borrowings	25,566	21,312
Payable to assignees towards collections in assigned assets	36,601	31,087
Payable under interest participation	14,228	12,257
Corporate social reponsibility payable (refer note 41)	979	666
Payable to employees	2,472	2,099
Lease liabilities	7,739	6,968
Other payables	1	3,690
Capital creditors (refer note 38)	-	3,479
Security deposits (refer note 38)	4,264	1,963
Total	**91,850**	**83,521**

Note: Capital creditors include due to Switch Mobility Automotive Limited (fellow subsidiary) for purchase of assets Nil for FY 2024-25 and Rs.791 Lakh for FY 2023-24. Security deposits include due to Switch Mobility Automotive Limited (fellow subsidiary) Rs.1234 Lakh for FY 2024-25 and Rs.935 Lakh for FY 2023-24.

18 Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits (refer note 35)		
- gratuity	316	45
- compensated absences	786	537
Total	**1,102**	**582**

19 Other non-financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Statutory liabilities	2,235	2,115
Deferred income liability	1,559	928
Total	**3,794**	**3,043**

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20 Equity share capital

INR In Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Authorised		
62,29,07,700 (31 March 2024: 62,29,07,700) equity shares of INR10/- each	62,291	62,291
	62,291	**62,291**
Issued, subscribed and fully paid up		
54,52,44,490 (31 March 2024 : 53,51,62,490) equity shares of INR 10/- each	54,524	53,516
	54,524	**53,516**

Notes:

a) Reconciliation of number of equity shares subscribed

Particulars	Year ended 31 March 2025		Year ended 31 March 2024	
	No. of shares (in absolute nos.)	Amount	No. of shares (in absolute nos.)	Amount
Equity shares				
At the commencement of the year	53,51,62,490	53,516	53,50,19,990	53,502
Add: Shares issued during the year	1,00,82,000	1,008	1,42,500	14
At the end of the year	**54,52,44,490**	**54,524**	**53,51,62,490**	**53,516**

b) Terms/ rights attached to equity shares

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

c) Shares held by holding company

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	% held	No. of shares	% held
Equity shares				
Ashok Leyland Limited; Holding company	33,32,46,338	61.12%	32,32,46,338	60.40%

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

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	% held	No. of shares	% held
Equity shares				
Ashok Leyland Limited; Holding company	33,32,46,338	61.12%	32,32,46,338	60.40%
Hinduja Automotive Limited	6,92,77,542	12.71%	6,92,77,542	12.95%
Abridge Investments Ltd	3,50,00,000	6.42%	3,50,00,000	6.54%
Aviator Global Investment Fund	2,85,00,000	5.23%	2,85,00,000	5.33%
Elara India Opportunities Fund Limited	2,79,90,000	4.75%	2,79,90,000	5.23%

e) Shares reserved for issue under employee stock option plan

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Under Employee stock option scheme, 2013, at an exercise price as determined by the Nomination and Remuneration Committee	1,86,33,248	186	1,84,71,248	185

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

During the five-year period ended 31 March 2025: 5,83,500 (31 March 2024: 4,91,500) equity shares issued under employee stock option plan for which only exercise price has been received in cash.

g) Details of promoters holding shares in the Parent company

As at 31 March 2025

Promoter name	No. of shares	% of total shares	% Change during the year
Ashok Leyland Limited; Holding company	33,32,46,338	61.12%	0.72%

As at 31 March 2024

Promoter name	No. of shares	% of total shares	% Change during the year
Ashok Leyland Limited; Holding company	32,32,46,338	60.40%	0.00%

h) Refer note no.43.(c) for Group's objectives policies and processes for managing capital.

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21 Other Equity

INR In Lakh

Particulars	As at 31 March 2025	As at 31 March 2024
a) Securities premium account		
Balance at the beginning of the year	1,81,384	1,81,318
Add: Premium on issue of shares	19,051	66
Balance at the end of the year	**2,00,435**	**1,81,384**
b) Employee stock option outstanding account		
Balance at the beginning of the year	617	458
Add: Share based payment expense for the year	119	159
Balance at the end of the year	**736**	**617**
c) Statutory and special reserves		
(As per Section 45-IC of Reserve Bank of India Act, 1934, As per section 29C of The National Housing Bank Act,1987 and As per section 36(1)(viii) of Income Tax Act, 1961)		
Balance at the beginning of the year	66,799	54,070
Add: Amount transferred from surplus in statement of profit and loss	15,476	12,729
Balance at the end of the year	**82,275**	**66,799**
d) Retained earnings (Surplus in Statement of Profit and Loss)		
Balance at the beginning of the year	2,56,670	2,05,810
Add: Profit for the year	77,380	63,643
Add: Comprehensive income for the year	(135)	(54)
Less :Transferred to statutory and special reserve	(15,476)	(12,729)
Balance at the end of the year	**3,18,439**	**2,56,670**
e) Other comprehensive income		
(i) Fair value gain on financial assets carried at FVTOCI		
Balance at the beginning of the year	1,22,204	64,693
Add: Comprehensive income for the year	92,612	57,511
Balance at the end of the year	**2,14,816**	**1,22,204**
(ii) Effective portion of loss on designated portion of hedging instruments in a cashflow hedge		
Balance at the beginning of the year	(124)	-
Less: Cash flow hedge reserve	(1,625)	(124)
Balance at the end of the year	**(1,749)**	**(124)**
f) Share application money pending allotment		
Balance at the beginning of the year	-	-
Add : Received during the year	11	-
Less:Transfer on allotment of Equity Shares and others	-	-
Balance at the end of the year	**11**	**-**
Total (a+b+c+d+e+f)	**8,14,963**	**6,27,550**

Nature and purpose of reserve

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act 2013.

Employee stock option outstanding

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

Statutory Reserve

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

Reserve u/s 45-IA of the RBI Act, 1934, the Group is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared

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

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

Surplus in the statement of profit and loss

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

Cash flow hedge reserve

Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Group accounting policies.

Other comprehensive income

a) The Group has elected to recognise changes in the fair value of certain loans and advances where the business model is to collect contractual cash flows and also sell financial assets loans and advances in other comprehensive income. These changes are accumulated within the FVOCI - loans and advances reserve within equity.

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

Share application money pending allotment:

Money received as advance towards allotment of share capital is recorded as share application money pending allotment.

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22 Interest income

INR In Lakhs

Particulars	Year ended 31 March 2025			Year ended 31 March 2024		
	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	Total	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	Total
Interest Income						
- Interest income on loans to customers	2,07,168	3,16,293	5,23,461	1,33,282	2,59,045	3,92,327
- Interest income on investments	-	12,925	12,925	-	8,684	8,684
- Interest income on lease assets	-	51	51	-	47	47
Total	**2,07,168**	**3,29,269**	**5,36,437**	**1,33,282**	**2,67,776**	**4,01,058**

23 Fees and commission Income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Collection fee and other charges	11,806	8,441
Total	**11,806**	**8,441**

24 Net gain on derecognition of financial instruments

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Income on assignment of loans	56,436	42,751
Total	**56,436**	**42,751**

25 Other income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest on fixed deposits	2,159	240
Other income (refer note below)	3,885	1,486
Income from marketing and display services	8,632	7,004
Total	**14,676**	**8,730**

Note: Interest on income tax refund amounting to INR 110 lakhs received in current year pertaining to FY 2022-23.

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INR In Lakhs

26 Finance costs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Finance costs on financial liabilities measured at amortised cost		
Interest on borrowings		
- term loans from banks	3,05,639	2,22,590
- cash credits and working capital demand loans	1,817	2,715
Interest on debt securities	6,757	5,695
Interest on subordinated liabilities	24,298	14,473
Amortisation of discount on commercial papers	8,166	6,081
Amortisation of ancillary costs relating to borrowings	6,630	3,992
Interest on deferred lease liabilities	730	615
Total	**3,54,037**	**2,56,161**

27 Fees and commission expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Service provider and sourcing expenses	22,051	9,925
Total	**22,051**	**9,925**

28 Impairment on financial instruments

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Measured at amortised cost and FVTOCI		
Provision for expected credit loss and amounts written off	62,116	52,856
Impairment loss on EIS receivable	3,079	4,429
Total	**65,195**	**57,285**

29 Employee benefits expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries, wages and bonus	42,587	31,811
Contribution to provident and other funds	1,894	1,335
Contribution to gratuity (refer note 35)	209	144
Staff welfare expenses	753	613
Employee stock option expenses (refer note 34)	119	159
Total	**45,562**	**34,062**

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INR In Lakhs

30 Depreciation and amortization expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation of property, plant and equipment (refer note 10)	6,463	2,700
Amortization of intangible assets (refer note 10B)	50	44
Amortization of right of use assets (refer note 10C)	2,189	1,865
Total	**8,702**	**4,609**

31 Other expenses

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Legal and professional charges	6,169	5,297
Rent (refer note 40)	510	399
Communication expenses	1,555	1,226
Insurance	1,384	1,179
Electricity charges	561	420
Donation (refer note 31.2)	2,500	-
Rates and taxes	505	341
Office maintenance	711	512
Repairs and maintenance	623	602
Bank charges	348	586
Printing and stationery	3,557	818
Travelling and conveyance	5,351	4,204
Auditor remuneration (refer note 31.1)	223	130
Meeting and conference expenses	245	164
Commission to directors	333	354
Sitting fees to directors	183	186
Expenditure on corporate social responsibility (refer note 41)	1,300	1,024
Miscellaneous expenses	1,847	1,889
Total	**27,905**	**19,331**

31.1 Payments to auditor (excluding goods and services tax)

(a) As auditor:		
Statutory audit	117	75
Tax audit	6	2
Limited review	33	15
Consolidation	18	13
(b) In other capacity:		
Certification	21	5
Other services	20	15
(c) Reimbursement of expenses	8	5
	223	**130**

31.2 The Board of Directors of the Group had approved a proposal for a donation to an Electoral Trust in accordance with the provisions of Section 182 of the Companies Act, 2013. Pursuant to this approval, the Group made a contribution amounting to INR 2,500 lakhs during the year ended 31 March 2025 (Previous year: Rs. Nil).

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INR In Lakhs

32 Income Tax

The components of income tax expense for the years ended 31 March 2025 and 31 March 2024 are:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Current tax	17,039	15,025
Deferred tax	9,562	5,471
Total tax charge	**26,601**	**20,496**

32.1 Income tax recognised in other comprehensive income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	45	18
Gain on fair valuation of loans	(31,152)	(19,344)
Effective portion of net loss on designated portiion of hedging instruments in a cashflow hedge	547	42
Total income tax recognised in other comprehensive income	**(30,560)**	**(19,284)**

32.2 Reconciliation of the total tax charge

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31 March 2025 and 31 March 2024 is, as

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Accounting profit before tax	1,04,599	84,551
Applicable tax rate	25.17%	25.17%
Computed tax expense	26,325	21,280
Tax effect of :		
Permanent differences on account of CSR expenditure and donations	(380)	(745)
Others	655	(39)
Tax expenses recognised in the statement of profit and loss	**26,601**	**20,496**
Effective tax rate	25.43%	24.24%

The tax rate used for the reconciliations above is the corporate tax rate of 25.17% for the year 31 March 2025 and 31 March 2024 payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

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32.3 Deferred tax liablities

Financial year : 2024-25 INR In Lakhs

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets in relation to:				
Provision for gratuity	(25)	46	49	70
Provision for compensated absence	135	63	-	198
Provisions for expected credit loss	19,541	3,759	-	23,300
Property, plant and equipment (including Intangible assets)	-	-	-	-
Expected credit loss on EIS receivable(other financial asset)	4,660	775	-	5,435
Fair valuation of security deposits	67	13	-	80
Lease Liabilties	1,754	194	-	1,948
Impact of cashflow hedge	41	-	547	588
	26,173	4,850	596	31,619

Financial year : 2024-25 INR In Lakhs

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax liabilities in relation to:				
Provision for gratuity	-	-	-	-
Property, plant and equipment (including Intangible assets)	(998)	(1,309)	-	(2,307)
Net gain on derecognition of financial instruments	(19,797)	(7,597)	-	(27,394)
Right of Use of Assets	(1,637)	(135)	-	(1,772)
Fair value gain on investments in equity shares	(311)	110	-	(201)
Prepaid expenses	(8,435)	(5,480)	-	(13,915)
Gain on fair valuation of loans	(41,099)	-	(31,151)	(72,250)
	(72,277)	(14,412)	(31,151)	(1,17,840)

Financial year : 2023-24 INR In Lakhs

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets in relation to:				
Provision for compensated absence	80	48	8	135
Provisions for expected credit loss	17,163	2,378	-	19,541
Property, plant and equipment (including Intangible assets)	22	(22)	-	0
Expected credit loss on EIS receivable(other financial asset)	3,545	1,115	-	4,660
Fair valuation of security deposits	55	12	-	67
Lease Liabilties	1,307	(34)	-	1,273
Impact of cashflow hedge	-	-	41	41
	22,171	3,497	49	25,717

Financial year : 2023-24 INR In Lakhs

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax liabilities in relation to:				
Provision for gratuity	(28)	(10)	14	(25)
Property, plant and equipment (including Intangible assets)	-	(1,372)	-	(1,372)
Net gain on derecognition of financial instruments	(13,853)	(5,943)	-	(19,797)
Right of Use of Assets	(1,319)	537	-	(782)
Fair value gain on investments in equity shares	(85)	(226)	-	(311)
Prepaid expenses	(6,482)	(1,953)	-	(8,435)
Gain on fair valuation of loans	(21,755)		(19,344)	(41,099)
	(43,523.17)	(8,967.84)	(19,329.75)	(71,820.75)

Note : The above analysis of deferred tax assets / liabilities does not include deferred tax recognized on share of other comprehensive income of equity accounted investees.

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33 Earnings per share ('EPS')

INR In Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Earnings		
Net profit attributable to equity shareholders for calculation of basic EPS	77,380	63,643
Net profit attributable to equity shareholders for calculation of diluted EPS	77,380	63,643
Shares		
Equity shares at the beginning of the year	53,51,62,490	53,50,19,990
Shares issued during the year	1,00,82,000	1,42,500
Shares issued as ESOP but not allotted to employees	-	-
Total number of equity shares outstanding at the end of the year	54,52,44,490	53,51,62,490
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	53,53,81,194	53,51,03,016
Effect of dilutive potential equity shares		
Employee stock options	69,840	1,44,291
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	53,54,51,034	53,53,06,781
Face value per share	10.00	10.00
Earnings per share		
Basic	14.46	11.89
Diluted	14.46	11.89

34 Employee stock option

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

During the current year, the Group has not granted options to its employees under the ESOP Scheme.

Options to employees are usually granted with a four-year rateable vesting. The options would need to be exercised within a 5 years(Till 2021 - 3 years) period from the date of vesting.

The vesting pattern is indicated below

Particulars	Vesting pattern	Vesting pattern	Vesting pattern	Vesting pattern	Vesting pattern
Grant date	24-Aug-28	03-Jun-21	22-May-19	29-Jan-18	23-May-17
At the end of one year of service from grant date	20%	20%	20%	20%	20%
At the end of two years	20%	20%	20%	20%	20%
At the end of three years	30%	30%	30%	30%	30%
At the end of four years	30%	30%	30%	30%	30%

Share based payment expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Total expense recognised in 'employee benefits expenses' (refer note 29)	119	159

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Reconciliation of outstanding options

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

Particulars	Year ended 31 March 2025		Year ended 31 March 2024	
	No of options	Weighted average exercise price	No of options	Weighted average exercise price
Outstanding at beginning of the year	**10,79,000**	**84.20**	**13,10,500**	**84.20**
Granted during the year	2,00,000	-	-	-
Forfeited during the year	1,62,000	54.40	89,000	54.40
Exercised during the year	92,000	88.89	1,42,500	88.89
Outstanding at the end of the year	**10,25,000**	**100.95**	**10,79,000**	**84.20**
Exercisable at the end of the year	7,27,500	92.14	8,84,000	84.48

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

Particulars	As at 31 March 2025			As at 31 March 2024		
	No of outstanding options	Range of exercise price	Weighted average remaining life	No of outstanding options	Range of exercise price	Weighted average remaining life
ESOP Scheme	10,25,000	INR/- 28.00 to 153	1 – 4 years	10,79,000	INR/- 28.00 to 110	1 – 4 years

Measurement of fair values

The fair value of employee stock options is measured using the Black Scholes Model which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option.

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

Grant date	2024-25	2021-22	2019-20	2017-18	2016-17
No of shares	2,00,000	3,25,000	1,60,000	4,60,000	11,90,000
Value of the share at the grant date	199.99	100	167	129	89
Exercise price	153	92.97	110	106.2	54.4
Expected volatility	20.00%	40.00%	40.00%	40.00%	40.00%
Expected dividends	0.00%	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate (based on government bonds)	6.58%	5.71%	6.87%	6.86%	7.56%
Expected life	4 years	4 years	4 years	4 years	4 years

Note: The Exercise period shall commence from the date of vesting and the vested options can be Exercised within a period of 5 years from date of vesting of option or till it is cancelled as per the provisions of the scheme.

35 Employee benefit (post employment benefit plans)

a) Defined contribution plans

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

The group's contribution to Provident Fund aggregating INR 1,894 lakhs (31 March 2024 : INR 1,335 lakhs) (refer note 29) has been recognised in the Statement of Profit and Loss under the head employee benefits expense.

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b) Defined benefit obligation

Gratuity benefit plan

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

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

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

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

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

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

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Significant assumptions		
Discount rate	6.40%	6.90%
Estimated rate of return on plan assets	6.90%	7.00%
Attrition rate	M1 - M7: 38% M8 - M12: 18%	M1 - M7: 38% M8 - M12: 18.5%
Expected rate of salary escalation	8.00%	8.00%
Other assumption		
Mortality rate	Indian Assured Lives Mortality 2006-08 Ultimate	Indian Assured Lives Mortality 2006-08 Ultimate

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

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

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

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

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

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

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

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

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b) Defined benefit obligation (continued)

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

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

Particulars	As at 31 March 2025	As at 31 March 2024
Present value of obligations	1,326	944
Fair value of plan assets	1,010	913
Asset/ (Liability) recognised in the Balance Sheet	**(316)**	**(30)**

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

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Current service cost	211	154
Past service cost	-	-
Net interest cost	(2)	(10)
Components of defined benefits costs recognised in profit or loss.	**209**	**144**
Remeasurements on the net defined benefit liability :		
- Actuarial (gain)/loss from change in demographic assumptions	-	3
- Actuarial (gain)/loss from change in financial assumptions	23	3
- Actuarial (gain)/loss from change in experience adjustments	173	76
- Return on plan assets (greater)/less than discount rate	(1)	4
Total amount recognised in other comprehensive income	**195**	**86**
Total	**404**	**230**

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

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Opening defined benefit obligation	944	792
Current service cost	211	154
Past service cost	-	-
Interest cost	62	51
Remeasurements (gains)/losses:		
- Actuarial (gain)/loss from change in demographic assumptions	-	3
- Actuarial (gain)/loss from change in financial assumptions	23	3
- Actuarial (gain)/loss from change in experience adjustments	173	76
Liabilities assumed *	-	-
Benefits paid	(87)	(135)
Closing defined benefit obligation	**1,326**	**944**

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b) Defined benefit obligation (continued)

Movement in fair value of plan assets

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Fair value of plan assets at the beginning of the year	913	867
Contributions paid into the plan	46	-
Benefits paid by the plan	(14)	(11)
Expected return on plan assets	64	61
Actuarial (losses) / gains	1	(4)
Fair value of plan assets at the end of the year	**1,010**	**913**

Expense recognised in the statement of profit or loss

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Current service cost	211	154
Interest on obligation	62	51
Expected return on plan assets	47	46
Net actuarial (gain)/ loss recognised in the year	71	(41)
Benefits paid directly by the Group	-	(124)
Total	**391**	**86**

Actuarial assumptions

Particulars	As at 31 March 2025	As at 31 March 2024
Discount rate	6.40%	6.90%
Estimated rate of return on plan assets	6.90%	7.00%
Attrition rate	M1 - M7: 38% M8 - M12: 18%	M1 - M7: 38% M8 - M12: 18.5%
Future salary increases	8.00%	8.00%
Average longevity at retirement age - past service (in years)	2.60	1.79
Average longevity at retirement age - future service (in years)	37.26	23.10
Retirement age	58 years	58 years

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

Five year information

Gratuity	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation	1,326	944	792	813	751
Fair value of plan assets	1,010	913	867	792	514
(Excess)/Deficit in plan	316	30	(75)	21	237
Experience adjustments on plan liabilities	173	76	(13)	(58)	13
Experience adjustments on plan assets	(1)	4	(11)	(9)	4

Sensitivity analysis

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

	Year ended 31 March 2025		Year ended 31 March 2024	
	Increase	Decrease	Increase	Decrease
100 basis points increase/decrease				
Discount rate	(34)	36	(24)	26
Future salary growth	32	(31)	23	(23)
Attrition rate	(7)	7	(4)	4

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b) Defined benefit obligation (continued)

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

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

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

Maturity profile

Particulars	As at 31 March 2025	As at 31 March 2024
Expected benefits for year 1	235	197
Expected benefits for year 2	191	155
Expected benefits for year 3	177	124
Expected benefits for year 4	144	116
Expected benefits for year 5	137	89
Expected benefits for year 6	111	80
Expected benefits for year 7	81	67
Expected benefits for year 8	53	49
Expected benefits for year 9	46	32
Expected benefits for year 10 and above	37	25

The weighted average duration of the payment of these cash flows is 3 years (FY 2022-23 - 3 years)

The excepted contributions for the next year is INR 235.42 lakh.

c) Other long term employee benefits

The liability for compensated absences as at 31 March 2025 is INR 785 lakhs and as at 31 March 2024 is INR 537 lakhs.

Assumptions

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Discount rate	6.40%	6.90%
Future salary increases	8.00%	8.00%

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

36 Segment reporting

The Group is primarily engaged into lending business. The Group has its operations within India and all revenues are generated within India.Also the company is not reliant on revenues from transaction with single external customer. As such, there are no separate reportable segment as per the provisions of Ind AS 108 'Operating Segments'.

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37 Contingent liabilities and commitments

(a) Contested Claims not provided for:

Particulars	As at 31 March 2025	As at 31 March 2024
Claims against the Group not acknowledged as debts: Value added taxes	139	139
Bank guarantee against securitisation transactions	205	205
Claims against the Group not acknowledged as debts: Direct taxes	819	819
Disputed claims against the Group lodged by the customers under litigation	1,069	-
Employee State Insurance	40	-

i) The Group is of the opinion that for the above demands, based on the management estimate no significant liabilities are expected to arise.

ii) It is not practicable for the Group to estimate the timings of the cashflows, if any, in respect of the above pending resolution of the respective proceedings.

iii) The Group does not expect any reimbursement in respect of the above contingent liabilities.

iv) Future Cash outflows in respect of the above are determinable only on receipt of judgements/decisions pending with various forums/ authorities.

Name of Statute	Nature of Dues	Period to which amount relates	Forum where the dispute is pending	As at 31 March 2025	As at 31 March 2024
Income Tax	Income Tax	2017-18	CIT Appeal	819	819
*Odisha VAT Act,2004	Value Added Tax	2012-13	High court of judicature at Orissa	0	0
Andhra Pradesh VAT Act,2005	Value Added Tax	2011-12	High court of judicature at Hyderabad	18	18
Karnataka VAT Act,2003	Value Added Tax	2012-13 to 2016-17	High court of judicature at Bangalore	121	121

*Represents amount less than rounding off norms.

(b) Commitments

Particulars	As at 31 March 2025	As at 31 March 2024
Capital commitments	2,314	-
Disbursements – undrawn lines	43,288	31,581

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INR In Lakhs

38 Related party disclosures

Name of the related parties and nature of relationship

Holding company / Ultimate Holding Company	Ashok Leyland Limited ("ALL") – Holding Company of Hinduja Leyland Finance Limited Hinduja Automotive Limited ("HAL") – Holding Company of ALL Machen Holdings S.A ("Machen") – Holding Company of HAL Machen Development Corporation ("MDC") – Holding Company of Machen Amas Holdings S.A. – Holding Company of MDC
Associate company	HLF Services Limited ("HSL")
Fellow subsidiary	Hinduja Energy (India) Limited Gulf Ashley Motors Limited Ashley Aviation Limited Switch Mobility Automotive Limited Hinduja Renewables Energy Private Limited
Joint venture	Gro Digital Platforms Limited ("GDPL")
Key management personnel (KMP)	Mr. Dheeraj G Hinduja, Chairman Mr. S. Nagarajan, Executive Vice Chairman (Retired on 31 March 2023) Mr. Sachin Pillai, Managing Director & CEO Mr. Gopal Mahadevan, Director Mr. Sudhanshu Tripathi, Director Mr. G S Sundararajan, Independent Director Mr. R S Sharma, Independent Director (Retired on 22 July 2024) Ms. Manju Agarwal, Independent Director Mr. D Sarkar, Independent Director Mr.Jean Brunol, Independent Director (Resigned on 26 August 2024) Dr. Mandeep Maitra , Independent Director Mr. Jose Maria Alapont , Independent Director (Appointed on 23 August 2024) Ms. Bhumika Batra, Independent Director Mr. Srinivas Acharya, Independent Director (Resigned on 26 October 2024) Mr.S.V. Parthasarathy, Independent Director Mr. Vikas Jain ,Chief Financial Officer Mr. B Shanmugasundaram, Company Secretary (Resigned on 3 October 2023) Mrs. Srividhya Ramasamy, Company Secretary

Related party transactions

Nature of transaction	Holding company (ALL)	Associate	Fellow subsidiaries	Joint Venture	KMP
Investment in equity shares - Gro Digital Platforms Limited	-	-	-	1,000	-
	-	-	-	(1,500)	-
Equity Infusion - Ashok Leyland Limited	20,000	-	-	-	-
Inter-corporate deposits (Hinduja Energy (India) Limited , Gro Digital Platforms Limited & Hinduja Renewables Energy Private Limited)	-	-	20,000	3,000	-
	-	-	-	(4,600)	-
Repayment of Inter-corporate deposits (Hinduja Energy (India) Limited , Gro Digital Platforms Limited & Hinduja Renewables Energy Private Limited)	-	-	20,000	3,000	-
	-	-	-	(4,600)	-

Nature of transaction	Holding company (ALL)	Associate	Fellow subsidiary	Joint Venture	KMP
- Hinduja Energy (India) Limited , Gro Digital Platforms Limited & Hinduja Renewables Energy Private Limited	-	-	92	38	-
	-	-	-	(63)	-
Purchase of services:					
a. Service provider fee	-	26,158	-	-	-
	-	(21,326)	-	-	-
b. Sourcing / marketing expenses	-	-	-	84	-
	-	-	-	(99)	-
c. Purchase of Assets	-	-	3,582	-	-
			(8,761)		
d. Secutity deposit received	-	-	298	-	-
	-	-	(936)	-	-

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Nature of transaction	Holding company (ALL)	Associate	Fellow subsidiaries	Joint Venture	KMP
Income from other services	70 (112)	74 (100)	2,070 (411)	50 (50)	- -
Remuneration to key management personnel	- -	- -	- -	- -	913 (1,086)
Commission and sitting fees to key management personnel	- -	- -	- -	- -	432 (407)

Shareholding as on 31 March 2025 - Mr. Sachin Pillai - Managing Director and Chief Executive Officer	-	-	-	-	2,55,833shares

Note: Figures in bracket represent previous year figures.

Year end balances

Particulars	As at 31 March 2025	As at 31 March 2024
Investment in related parties		
- Gro Digital Platforms Limited	3,500	2,500
- HLF Services Limited	2	2
Amounts due to related parties		
- Switch Mobility Automotive Limited	1,234	1,727
- Gro Digital Platforms Limited	-	-
Amount receivable from related parties		
- Gro Digital Platforms Limited	-	38
-Ashok Leyland Limited	-	9

The Company has been alloted 2,29,500 shares in the form of bonus shares from HLF Services Limited during the current year.

There are no provisions for doubtful debts / advances or amounts written off or written back for debts due from/ due to related parties.

The transactions disclosed above are exclusive of GST.

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

Long/post term service benefits are made for the Company as a whole and the amounts pertaining to the key management personnel are not specifically identified and hence are all included above.
Commission for the FY 2023-24 paid in FY 2024-25.
The amount outstanding are unsecured and will be settled in cash.

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INR In Lakhs

39 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Group uses the same basis of expected repayment behaviour as used for estimating the EIR.

Particulars	As at 31 March 2025			As at 31 March 2024		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Assets						
Cash and cash equivalents	3,18,244	-	3,18,244	2,90,953	-	2,90,953
Bank balance other than cash and cash equivalents	50,016	-	50,016	30,263	-	30,263
Loans	13,58,181	34,27,241	47,85,422	10,95,788	27,50,531	38,46,319
Investments*	2,30,779	97,302	3,28,081	79,803	1,12,436	1,92,239
Derivative financial instruments	-	531	531	-	-	-
Other financial assets	30,867	61,184	92,052	22,793	40,862	63,655
Current tax assets (net)	-	9,739	9,739	-	10,366	10,366
Property, plant and equipment	-	42,668	42,668	-	33,156	33,156
Capital work-in-progress	-	3,615	3,615	-	2,706	2,706
Other intangible assets	-	108	108	-	95	95
Right of use assets	-	7,041	7,041	-	6,502	6,502
Other non-financial assets	1,512	14,175	15,688	859	10,619	11,478
Total Assets	**19,89,599**	**36,63,604**	**56,53,203**	**15,20,459**	**29,67,273**	**44,87,732**
Liabilities						
Derivative financial instruments	2,789	79	2,868	-	165	165
Other payables	-	-	-	-	-	-
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	8,526	-	8,526	3,019	-	3,019
Debt Securities	10,449	1,25,790	1,36,239	295	42,810	43,105
Borrowings (other than debt securities)	11,76,223	29,53,604	41,29,827	10,93,490	23,66,374	34,59,864
Subordinated liabilities	2,031	3,21,257	3,23,288	55,953	1,11,310	1,67,263
Other financial liabilities	74,973	16,877	91,850	71,237	12,284	83,521
Provisions	557	545	1,102	183	399	582
Deferred tax liabilities (net)	-	86,221	86,221	-	46,104	46,104
Other non-financial liabilities	2,733	1,061	3,794	2,334	709	3,043
Total Liabilities	**12,78,282**	**35,05,434**	**47,83,716**	**12,26,511**	**25,80,155**	**38,06,666**
Net	**7,11,317**	**1,58,170**	**8,69,487**	**2,93,948**	**3,87,118**	**6,81,066**

* including equity accounted investee

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Notes to consolidated financial statements for year ended 31 March 2025

39.1 Additional informations

Details of term loan undrawn limit as at 31 March 2025

INR In Lakhs

S.No	Bank name	Date of sanction letter/ Agreement	Sanction amount	Amount for which agreement executed	Drawdown amount	Undrawn executed amount	Undrawn sanction amount
1	Yes Bank	15-Nov-24	40,000	40,000	5,000	35,000	35,000
2	Axis Bank	06-Feb-25	25,000	-	-	-	25,000
3	MUFG Bank Ltd	27-Mar-25	65,250	-	-	-	65,250
4	Deutsche Bank	28-Mar-25	55,134	55,134	-	-	55,134
5	HDFC Bank	31-Mar-25	3,20,000	-	-	-	3,20,000
6	State Bank of India	10-Feb-25	1,00,000	1,00,000	17,500	82,500	82,500
7	Bank of Baroda	08-Jan-25	15,000	15,000	5,000	10,000	10,000
			6,20,384	**2,10,134**	**27,500**	**1,27,500**	**5,92,884**

Details of term loan undrawn limit as at 31 March 2024

S.No	Bank name	Date of sanction letter/ Agreement	Sanction amount	Amount for which agreement executed	Drawdown amount	Undrawn executed amount	Undrawn sanction amount
1	SIDBI	27-Mar-24	1,00,000	1,00,000	30,000	70,000	70,000
2	HDFC Bank	30-Mar-24	1,60,000	-	-	-	1,60,000
3	Indian Bank	28-Mar-24	50,000	50,000	45,000	5,000	5,000
4	Axis Bank	26-Mar-24	20,000	20,000	10,200	9,800	9,800
5	IDBI Bank	25-Mar-24	20,000	20,000	10,000	10,000	10,000
6	DBS ECB	25-Mar-24	42,500	20,831	20,831	-	21,669
7	Axis Bank	29-Sep-23	15,000	15,000	13,000	2,000	2,000
8	Bank of Baroda	23-Nov-23	50,000	50,000	35,000	15,000	15,000
9	Bank of India	15-Sep-23	30,000	30,000	41,000	9,000	9,000
10	UCO Bank	21-Jan-24	30,000	Yet to be executed	-	-	-
11	State Bank of India	13-Oct-23	75,000	75,000	37,500	37,500	37,500
			5,92,500	**3,80,831**	**2,42,531**	**1,58,300**	**3,39,969**

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INR In Lakhs

40 **Leases**

As a lessee, the Group's lease asset class primarily consist of buildings or part thereof taken on lease for office premises. In accordance with the requirements under Ind AS 116, Leases, the Group has recognised the lease liability at the present value of the future lease payments discounted at the incremental borrowing rate at the date of initial application as at 1 April 2019, and thereafter, at the inception of respective lease contracts, ROU asset equal to lease liability is recognised at the incremental borrowing rate prevailed during that relevant period subject to certain practical expedients as allowed by the standard.

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

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

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

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

Following are the changes in the carrying value of the right of use assets for the year ended 31 March 2025:

Category of ROU Asset	Gross Block				Accumulated Depreciation				Net Block
	As at 1 April 2024	Additions	Deletions	As at 31 March 2025	As at 1 April 2024	Additions	Deletions	As at 31 March 2025	As at 31 March 2025
Office Premises & Yard	9,683	2,819	1,217	11,285	3,181	2,189	1,126	4,244	7,041

Category of ROU Asset	Gross Block				Accumulated Depreciation				Net Block
	As at 1 April 2023	Additions	Deletions	As at 31 March 2024	As at 1 April 2023	Additions	Deletions	As at 31 March 2024	As at 31 March 2024
Office Premises & Yard	7,394	4,270	1,981	9,683	2,406	1,865	1,090	3,181	6,502

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

Table showing contractual cash maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2025	As at 31 March 2024
Within one year	2,430	2,037
After one year but not more than five years	5,534	5,000
More than five years	1,037	1,264
Total	**9,001**	**8,301**

The company has taken office premises on lease. These leases are generally renewed on mutual consent and at prevailing market rate. Short team leases are recognised as an expense.

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Expense relating to short-term leases	510	399
Expense relating to leases of low-value assets	-	-
Expense relating to variable lease payments not included in the measurement of lease liabilities	-	-
Income from subleasing right-of-use assets	-	-
Total cash outflow for leases	2,557	2,097
Gains or losses arising from sale and leaseback transactions	-	-

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40 Leases (continued)

Lease liabilities

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning	6,968	5,242
Additions	2,633	4,037
Finance cost accrued during the year (refer note 26)	730	615
Deletions	(35)	(830)
Payments of lease liabilities	(2,557)	(2,097)
Balance at the end	7,739	6,968

Classification of current and non current liabilites of lease liabilities

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Current liabilities	1,977	1,615
Non current liabilities	5,762	5,353
Total lease liabilities	7,739	6,968

In the cases where assets are given on operating lease (as lessor)
Key terms of the lease are as below

i) New vehicles are offered on Lease for a tenure ranging from 24 to 84 months.
ii) Customised leasing solutions are offered with value-added services like Fleet Management.
iii) The consideration payable is the monthly lease rental which varies based on the make / model of the vehicle and tenure leased.

Rental income arising from these operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the Statement of profit and loss. All relevant costs, including depreciation, incurred in earning the lease income are recognised as an expense.

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
New vehicles to non individuals		
Gross carrying amount	39,754	25,114
Depreciation for the year	5,272	1,875
Accumulated depreciation	7,158	1,886

The total future minimum lease rentals(undiscounted) receivable for the non-cancellable lease period

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Lease rentals to non individuals		
Not later than one year	9,786	6,008
Later than one year but not later than five years	21,901	17,882
Total	**31,687**	**23,890**

41 Corporate social responsibility ("CSR") expenditure

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
(a) Gross amount required to be spent by the Group during the year as per Section 135 of the Companies Act, 2013 read with schedule VII	1,300	1,024
(b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	322	233
(c) Shortfall at the end of the year	978	791
(d) Total of previous years shortfall	978	1,041

Details of ongoing projects

Year	Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
	With Company	In separate CSR Unspent A/C		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In separate CSR Unspent A/C
31 March 2024	-	867	1,025	233	617	792	250
31 March 2025	792	250	1,300	1,113	250	978	(0)

The Group has unspent CSR provision of INR 978 lakh as on March 31, 2025 (31 March 2024: INR 791 lakh) which has been deposited subsequently in a separate bank account. The Group is in process of utilizing against the approved projects.

Nature of CSR activities are promotion of Education, Environmental sustainability, Eradicating hunger, poverty, malnutrition and preventive health care etc..

42 Expenditure in foreign currency

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Legal and professional charges	35	75
Commission to directors	21	0
Sitting fees	13	0
Other financial expenses	2	0
Repairs & maintenance- IT	11	0
Travelling and conveyance	4	0
Interest on borrowings	12817	20

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INR In Lakhs

43 Financial instrument

Financial instruments by category

Type of instruments	Fair value as at		Fair value hierarchy	Valuation technique(s)	Significant unobservable input(s)	Relationship to fair value
	31 March 2025	31 March 2024				
- Loans	29,12,600	23,48,257	Level 3	Income approach - Under this approach, the discounted cashflow method used to capture the present value of expected future economic benefits	The significant inputs were: a) the estimated cash flows; and b) the discount rate to compute the present value of the future expected cash flows	Decrease in the discount rate used would result in increase in the fair value
- Mutual fund investments	1,24,713	-	Level 1	Net asset value in active market	NA	NA
- Investment in equity shares of Yes Bank	4,119	5,650	Level 1	Share price in active market	NA	NA
- Investments in security receipts	46,571	55,268	Level 3	The discounted cashflow method used to capture the present value of expected future economic benefits after providing for the impairment loss	a.Estimated future cash flow and its realisable value. b. Estimated notional loss of underlying assets	Increase in the recovery rate would increase the fair value, while increase in the discount rate would reduce the fair value.

Financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique(s)
	31 March 2025	31 March 2024		
- Derivative instruments (i.e Currency swap)	2,868	165	Level 2	In swap contracts, the future estimated cashflows also consider forward interest rates (from observable yield curves at the end of reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of the company/counterparty.
	531			

Foreign currency risk for the Group arise majorly on account of foreign currency borrowings. The Group manages this foreign currency risk by entering in to cross currency swaps. When a derivative is entered in to for the purpose of being as hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Group holds derivative financial instruments such as Cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The Counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.

Hedging policy

The Group's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment and hence the hedge ratio is 1:1.

As at 31 March 2025

Foreign exchange risk	Nominal value of hedging instruments (No. of.contracts)		Carrying value of hedging instruments (in Lakh)		Maturity date	Changes in fair value of hedging instrument (in lakh)
	Asset	Liability	Asset	Liability		
Cash flow hedge						
Cross currency interest rate swap	3	1	531	(79)	30 March 2027 to 24 September 2027	617
Forward contracts	0	9	0	(2,048)	30 April 2025 to 15 July 2025	-2048
Forward contracts	0	8	0	741	31 July 2025	741

As at 31 March 2024

Foreign exchange risk	Nominal value of hedging instruments (No. of Contracts)		Carrying value of hedging instruments (in Lakh)		Maturity date	Changes in fair value of hedging instrument (in lakh)
	Asset	Liability	Asset	Liability		
Cash flow hedge						
Cross currency interest rate swap	-	1	-	(165)	-	(165)

Cash flow hedge

March 31,2025	Foreign currency	Notional value	Fair value*	Maturity date
Buy USD - Sell INR	USD 25 million	₹ 20,831 Lakhs	₹ 299 lakhs	30-Mar-27
Buy USD - Sell INR	USD 25 million	₹ 20,880 Lakhs	₹ (79) lakhs	21-May-27
Buy USD - Sell INR	USD 50 million	₹ 41,988 Lakhs	₹ 85 lakhs	22-Aug-27
Buy USD - Sell INR	USD 21.4 million	₹ 17,918 Lakhs	₹ 147 lakhs	25-Sep-27
Buy USD - Sell INR	USD 107.65 million	₹ 92,242 lakhs	₹ (2,048) Lakh	30 April 2025 to 15 July 2025
Buy USD - Sell INR	USD 36.75 million	₹ 32,002 Lakhs	₹ (741.32) lakhs	31-Jul-25

March 31,2024	Foreign currency	Notional value	Fair value*	Maturity date
Buy USD - Sell INR	USD 25 million	₹ 20,831 Lakhs	₹ (165) Lakhs	30-Mar-27

Hedge ratio 1:1

*Fair value represents loss or gain on closing value of hedging instruments as on the reporting dates.

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INR In Lakhs

43 Financial instrument

A Fair value measurement

Valuation principles

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

Financial instruments by category

The carrying value and fair value of loans measured at fair value as of 31 March 2025 and 31 March 2024 were as follows:

Particulars	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
As at 31 March 2025					
Loans	26,41,987	-	-	29,12,600	29,12,600
As at 31 March 2024					
Loans	21,84,967	-	-	23,48,257	23,48,257

Reconciliation of level 3 fair value measurement is as follows

Loans	As at	
	31 March 2025	31 March 2024
Loans, measured at FVOCI		
Balance at the beginning of the year	1,63,290	86,606
Total gains measured through OCI for additions made during the year	1,46,276	76,684
Balance at the end of the year	**3,09,566**	**1,63,290**

Sensitivity analysis

31 March 2025	Equity, net of tax*	
	Increase	Decrease
Loans		
Interest rates (1% movement)	61,949	64,566

*represents the impact on profit

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2025 were as follows:

Particulars	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
As at 31 March 2025					
Assets:					
Investment in listed shares	4,119	4,119	-	-	4,119
Investment in mutual fund	1,24,713	1,24,713	-	-	1,24,713
Investment in fund	1,765	-	-	1,765	1,765
Investment in security receipts	46,571	-	-	46,571	46,571
Derivative financial instruments	531	-	531	-	531
Liabilities:					
Derivative financial instruments	2,868	-	2,868	-	2,868
As at 31 March 2024					
Assets:					
Investment in listed shares	5,650	5,650	-	-	5,650
Investment in mutual fund	-	-	-	-	-
Investment in fund	1,958	-	-	1,958	1,958
Investment in security receipts	55,268	-	-	55,268	55,268
Liabilities:					
Derivative financial instruments	165	-	165	-	165

The carrying value and fair value of other financial instruments by categories as of 31 March 2025 were as follows:

Particulars	Carrying amount	Fair value			
	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value:					
Loans	19,77,418	-	-	22,09,115	22,09,115
Investments	1,48,232	75,983	-	72,249	1,48,232
Total	**21,25,650**				
Financial liabilities not measured at fair value:					
Debt securities	1,36,240	1,36,240	-	-	1,36,240
Borrowings (other than debt securities)	41,29,827	-	-	41,29,827	41,29,827
Subordinated liabilities	3,23,288	2,99,082	24,206	-	3,23,288
Total	**45,89,355**				

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43 Financial instrument *(continued)*

The carrying value and fair value of financial instruments by categories as of 31 March 2024 were as follows:

Particulars	Carrying amount	Fair value			
	Amortised cost	Level 1	Level 2	Level 3	Total
Assets:					
Loans	15,90,118	-	-	17,08,953	17,08,953
Investments	1,27,075	54,789	-	72,286	1,27,075
Total	**17,17,193**				
Liabilities:					
Debt securities	43,105	43,105	-	-	43,105
Borrowings (other than debt securities)	34,59,864	-	-	34,59,864	34,59,864
Subordinated liabilities	1,67,263	1,67,263	-	-	1,67,263
Total	**36,70,232**				

B ***Measurement of fair values***

Valuation methodologies of financial instruments not measured at fair value

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

The fair values above are estimated using discounted cash-flow models, with the following significant assumptions:

Input / Assumption	Basis and source
Discount rate	Risk-free yield curve plus credit spread. Government bond yields for term matching, plus a appropriate spread reflecting its own instrument credit risk.
Credit spread	Derived from the company's own credit rating
Probability of default (PD)	Internal rating-based PDs calibrated to historical defaults.
Loss given default (LGD)	Based on long-run recoveries of similar instruments
Prepayment assumptions	Portfolio average annual prepayment rate of 7 %
Cash-flow model	Projected contractual cash flows, adjusted for prepayments and expected defaults.

Short-term financial assets and liabilities

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

Borrowings

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

Loans

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

Investments

For the held-to-maturity investments the fair value has been assumed to be equal to the carrying amount.

Transfers between levels I and II

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

C Capital management

The Group maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI). The adequacy of the Group's capital is monitored using, among other measures, the regulations issued by RBI.

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

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

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44 Financial risk management objectives and policies

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

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

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

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

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party to financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and loans.

The credit risk for cash and cash equivalents, fixed deposits are considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

The Group holds investments in non-convertible debentures (NCDs) and pass-through certificates (PTCs) issued by entities with strong credit profiles and high credit ratings from recognized rating agencies. These instruments are assessed to have low credit risk as the issuers are well-established entities with a consistent track record of financial stability, robust governance practices, and market reputation. The Group continues to monitor the credit risk of these investments on an ongoing basis and will reassess the classification and measurement as necessary.

Other financial assets mainly comprises of security deposits which are given to premise owners, receivable form insurance company & bankers in relation to contracts executed and are assessed by the Company for credit risk on a continuous basis.

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

A. *Loans and advances*

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

The Board has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. the Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information etc.

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

Particulars	As at 31 March 2025	As at 31 March 2024
Retail loans	47,33,707	37,35,973
Term loans	1,43,530	1,89,539
Repossessed loans	12,780	12,863
	48,90,017	**39,38,375**
Less : Impairment loss allowance	(1,04,597)	(92,056)
	47,85,420	**38,46,319**

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

Staging:

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

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

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

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

Holding Company

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

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Subsidiary Group

Days past dues status	Stage	Provisions
Current	Stage 1	12 Months Provision
1-30 Days	Stage 1	12 Months Provision
31-60 Days	Stage 2	Lifetime Provision
61-90 Days	Stage 2	Lifetime Provision
90+ Days	Stage 3	Lifetime Provision

44 Financial risk management objectives and policies

Grouping

As per Ind AS 109, Group is required to group the portfolio based on the shared risk characteristics. Group has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups:
- Commercial vehicle loans (ICV, LCV, MCV, MUV, Buses)
- Heavy commercial vehicles
- Small commercial vehicles
- Two wheeler loan
- Tipper
- Tractor
- Car
- Construction equipments
- Three wheeler loan
- Housing Loan
- Loan against property
- Term Loans
- Unsecured Loans

Expected credit loss ("ECL"):

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components:

a. Marginal probability of default ("MPD")
b. Loss given default ("LGD")
c. Exposure at default ("EAD")
d. Discount factor ("D")

Probablity of default:

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

For computation of probability of default ("PD"), Through the Cycle (TTC), PD was calculated based on average of Observed Default Rates (ODRs) using transition matrix approach. This is based on the delinquency status of accounts tracked at a time horizon of one year, the yearly migration of borrowers in each DPD Bucket to default. (NPA or greater than 90 DPD). The model rolls this behavior forward until all receivables are either paid or written off or closed. The output of the model is the probability of an account in each state rolling to Closure stated as a %.
The transition matrix was calculated for each historical year and TTC PD was calculated as average of ODR. The PDs for each bucket was calibrated to form an exponential PD curve.
As per Vasicek model, given long term PD and current macroeconomic conditions, conditional PD corresponding to current macroeconomic condition is estimated.

The probability of default was calculated for 3 scenarios: upside (10%), downside (10%) and base (80%). This weightage has been decided on best practices and expert judgement. Marginal conditional probability was calculated for all 3 possible scenarios and one conditional PD was arrived as conditional weighted probability. Macroeconomic variables have been selected for all portfolios based on the business and statistical significance of each combination with the respective portfolio. The forecasted values of macroeconomic variables were used as an input to generate, three set of macroeconomic forecasts based on the Vasicek methodology.

LGD:

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

1) Analysis of historical credit impaired accounts at cohort level.
2) The computation consists of five components, which are:
 a) Outstanding balance (POS)
 b) Recovery amount (discounted yearly) by initial contractual rate.
 c) Expected recovery amount (for incomplete recoveries), discounted to reporting date using initial contractual rate.
 d) Collateral (security) amount
 e) Foreclosure cases

The formula for the computation is as below:
% Recovery rate = (discounted recovery amount + security amount + discounted estimated recovery) / (total POS)
% LGD = 1 – recovery rate

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EAD:

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

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

Discounting:

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

ECL computation:

Conditional ECL at DPD pool level was computed with the following method:
Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)
The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

Stage	Provisions	As at 31 March 2025	As at 31 March 2024
Stage 1	12 month provision	0.25%	0.34%
Stage 2	Life time provision	2.80%	3.99%
Stage 3	Life time provision	42.40%	42.19%
Amount of expected credit loss provided for		**1,04,597**	**92,056**

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

44 Financial risk management objectives and policies

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

Particulars	As at 31 March 2025				As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	34,53,338	3,31,751	1,53,287	39,38,375	24,92,081	2,92,470	1,29,977	29,14,528
Assets derecognised or repaid	(12,62,966)	(1,39,354)	(43,236)	(14,45,556)	(10,25,035)	(1,26,658)	(43,182)	(11,94,876)
Transfers from Stage 1 **	(4,91,700)	2,72,763	35,345	(1,83,592)	(3,29,601)	1,75,370	49,492	(1,04,739)
Transfers from Stage 2 **	89,468	(1,27,344)	27,288	(10,588)	68,617	(91,703)	22,171	(915)
Transfers from Stage 3 **	8,559	957	(8,254)	1,262	8,357	1,535	(8,985)	907
New assets originated*	24,67,216	1,16,148	6,752	25,90,116	22,38,918	80,736	3,815	23,23,469
Gross carrying amount closing balance	**42,63,915**	**4,54,921**	**1,71,182**	**48,90,017**	**34,53,338**	**3,31,751**	**1,53,287**	**39,38,375**

* New assets originated are those assets which have originated during the current year and outstanding as at the balance sheet date.

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

Reconciliation of ECL balance is given below:

Particulars	As at 31 March 2025				As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	16,430	16,167	59,459	92,056	4,319	24,007	44,640	72,966
Assets derecognised or repaid (excluding write offs)	(881)	(1,649)	(8,212)	(10,742)	(534)	(1,027)	(10,263)	(11,824)
Transfers from Stage 1	(2,253)	2,144	2,142	2,033	(467)	2,527	8,098	10,158
Transfers from Stage 2	(868)	(368)	3,972	2,736	4	(633)	2,347	1,718
Transfers from Stage 3	41	(1,279)	6,451	5,213	35	(476)	1,402	961
New assets originated and incremental charge during the year	3,429	1,341	8,530	13,301	13,072	(8,231)	13,235	18,077
Closing provision of ECL	**15,898**	**16,356**	**72,342**	**1,04,597**	**16,430**	**16,167**	**59,459**	**92,056**

Collateral and other credit enhancements

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

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

Exposure to credit risk

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

Incorporation of forward-looking statements in ECL model

The Group considers a broad range of forward-looking information with reference to external forecasts of economic parameters such as GDP growth, Government Expenditure etc., as considered relevant so as to determine the impact of macro-economic factors on the Group's ECL estimates.

The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably

Time series macroeconomic data was sourced from economist intelligence unit (EIU) which is a reliable source for historical economic data. Correlation with macro-economic variables was calculated in order to see which variables are statistically good with the portfolio. From the initial set of variables chosen for the correlation assessment, the variables were selected based on their absolute correlation values with the default rate of the respective segment. For periods where forecast was not available from EIU, mean reversion technique was used to forecast the macroeconomic variables for the residual maturity of loans. Business intuition based on experience from the past is also considered for the selection of macro-economic variables (MEVs).

The Group has considered macro economic factors such as Gross Domestic Product and Industrial Production for calculation of Probability of Default (PD) till the financial year 2023-24. During the current year, the following macro economic variables has been considered.

Segment	Macro-Economic Variables correlated for each segment			
Three Wheelers	Consumer expenditure: Total (US$)	Nominal GDP (US$)	Employment growth (% pa)	Domestic demand (% of GDP)
Small Commercial Vehicle	Industrial production (% change pa)	Real GDP (% change pa)	Real personal disposable income	Private consumption
Two Wheeler	Industrial production (% change pa)	Private consumption	Effective interest rate (%)	Real GDP (% change pa)
Heavy Commercial Vehicle	Real GDP (% change pa)	Industrial production	Real personal disposable income	Employment growth (% pa)
Intermediate Commercial Vehicle	Consumer expenditure: Total (US$)	Employment growth (% pa)	Nominal GDP (US$)	Real GDP (% change pa)
Light Commercial Vehicles	Consumer expenditure: Total (US$)	Employment growth (% pa)	Nominal GDP (US$)	Real GDP (% change pa)
Medium Commercial Vehicle	Consumer expenditure: Total (US$)	Employment growth (% pa)	Nominal GDP (US$)	Real GDP (% change pa)
Multi Utility Vehicle	Consumer expenditure: Total (US$)	Employment growth (% pa)	Nominal GDP (US$)	Real GDP (% change pa)
Buses	Consumer expenditure: Total (US$)	Employment growth (% pa)	Nominal GDP (US$)	Real GDP (% change pa)
Construction Equipments	Industrial production (% change pa)	Private consumption	Real GDP (% change pa)	Real personal disposable income
Tipper	Consumer expenditure: Total (US$)	Employment growth (% pa)	Nominal GDP (US$)	Gross personal income (US$)
Farm Equipment & Tractor	Gross personal income (US$)	Employment growth (% pa)	Domestic demand (% of GDP)	Nominal GDP (US$)
Car	Consumer expenditure: Total (US$)	Nominal GDP (US$)	Employment growth (% pa)	Domestic demand (% of GDP)
Loan Against Property (LAP)	Effective interest rate (%)	Petroleum production (b/d)	Domestic demand (% of GDP)	Consumer prices (% change pa; av)
Unsecured loans	Industrial production (% change pa)	Real GDP (% change pa)	Real personal disposable income	Private consumption

Since the Group has used Real GDP as a predominant macro-economic variable the sensitivity around the same is given below:

Year ended	Increase/ (Decrease)	Impact on ECL Increase/ (Decrease) Real GDP
March 31, 2025	Decrease by 5%	138.58
March 31, 2025	Increase by 5%	-137.74

(ii) Liquidity risk

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

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

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

The total cash credit along with overdraft limit available to the Group is INR 1,72,000 lakhs spread across 12 banks. The utilization level is maintained in such a way that ensures sufficient liquidity on hand.

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

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

As at 31 March 2025	Contractual cash flows				
	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	8,526	8,526	-	-	-
Borrowings (other than debt securities)	41,29,827	14,65,936	22,46,418	8,87,340	3,30,107
Debt Securities	1,36,240	10,450	1,14,684	19,372	-
Subordinated liabilities	3,23,288	2,030	32,500	55,000	2,38,797
Derivative financial instruments	2,868	2,789	79	-	-
Lease liability	7,739	1,901	2,780	1,462	630
Other financial liabilities	84,111	73,109	9,261	2,714	1,001
Total	**46,92,599**	**15,64,743**	**24,05,722**	**9,65,889**	**5,70,536**
Financial assets					
Cash and Cash Equivalents	3,18,244	3,18,244	-	-	-
Bank balances other than cash and cash equivalents	50,016	50,016	-	-	-
Loans	47,85,420	13,58,180	14,06,017	6,41,845	13,91,021
Investments	3,28,081	2,30,779	43,909	-	53,381
Derivative financial instruments	531	531	-	-	-
Other financial assets	92,052	30,867	36,479	14,326	10,379
Total	**55,74,344**	**19,88,617**	**14,86,406**	**6,56,172**	**14,54,781**

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As at 31 March 2024	Contractual cash flows				
	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	3,019	3,019	-	-	-
Borrowings (other than debt securities)	34,59,864	13,81,374	18,26,250	8,08,564	1,87,370
Debt Securities	43,105	295	42,877	-	-
Subordinated liabilities	1,67,263	55,994	32,500	5,000	75,531
Derivative financial instruments	165	15	198	-	-
Lease liability	6,968	2,188	3,282	2,009	1,321
Other financial liabilities	76,553	71,237	4,793	1,434	999
Total	**37,56,937**	**15,14,122**	**19,09,900**	**8,17,007**	**2,65,221**
Financial assets					
Cash and Cash Equivalents	2,90,953	2,90,953	-	-	-
Bank balances other than cash and cash equivalents	30,263	30,263	-	-	-
Loans	38,46,319	10,95,788	11,39,137	5,34,841	10,76,553
Investments	1,92,239	79,803	48,609	622	63,205
Other financial assets	63,655	22,793	23,988	9,413	7,461
Total	**44,23,429**	**15,19,600**	**12,11,734**	**5,44,876**	**11,47,219**

(iii) Market risk

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

(iv) Interest rate risk

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

Fair value sensitivity analysis for Floating-rate instruments

Loans extended by the Group are fixed and floating rate loans.

The sensitivity analysis have been carried out based on the exposure to interest rates for bank deposits, lending and borrowings carried at variable rate.

Particulars	Year ended 31 March 2025		Year ended 31 March 2024	
Change in interest rates (25 bps)	increase	decrease	increase	decrease
Impact on profit for the year*	(4,257)	4,257	(3,639)	3,639

*The impact to the equity is as same as that of impact to the profit.

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45 **Unhedged foreign currency exposure:**

The Group has a process and procedure for managing currency induced credit risk. The Group enters into cross currency swaps to mitigate interest rate risk on it's borrowings, as hedging instruments. The Group undertakes such transactions for hedging its balance sheet. The total borrowing covered under hedged exposure is INR 1,93,859 lakhs and unhedged exposure to borrowing is Nil as on March 31, 2025.

46 There are no transactions which have not been recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also, there are no previously unrecorded income and related assets.

47 During the financial year 2022-23, the Board of Directors of the Holding Company had approved the Scheme of Merger by absorption of the Company into NDL Ventures Limited (formally NXTDIGITAL Limited). The Company has reapplied for necessary approvals from RBI which currently under process. Thereafter, the Company will take necessary approvals from various statutory and regulatory authorities, respective shareholders for swap ratios and approvals from creditors.

48 The Group has registered all the charges with ROC within the statutory period.

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

49 The Group holds immovable property as on 31 March 2025 and 31 March 2024. All the title deeds for the immovable property are in the name of the Group and all the leases agreements are duly executed in favour of the Group for properties where the Group is the lessee.

The Group is not a declared wilful defaulter by any bank or financial institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the years ended 31 March 2025 and 31 March 2024.

50 The Group does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the years ended 31 March 2025 and 31 March 2024.

51 No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (prohibition) Act 1988 and rules made thereunder, as at 31 March 2025 and 31 March 2024.

The Group has sanctioned facilities from banks on the basis of security of current assets. The monthly returns filed by the Group with such banks are in agreement with the unaudited books of accounts of the Company.

The Group does not have any investment property and hence its related disclosure is not applicable.

As per the Company's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation and impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

52 **Reporting under rule 11(e) and 11(f) of Companies (Audit and Auditors) Rules, 2014**

As a part of normal lending business, the Group grants loans and advances on the basis of security / guarantee provided by the borrower/ co-borrower. These transactions are conducted after exercising proper due diligence.

a. No funds have been advanced or loaned or invested by the Group to or in any other person(s) or entity(is) including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in a party identified by or on behalf of the Group (Ultimate Beneficiaries);

b. No funds have been received by the Group from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

53 The companies in the group have used accounting software(s) for maintaining its books of account for the financial year ended 31 March 2025, which has a feature of recording audit trail (edit log) facility, however the audit trail feature in joint venture was not enabled throughout the year.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

R. SUBRAMANIAN AND COMPANY LLP Chennai 600 004 * Chartered Accountants *

HINDUJA LEYLAND FINANCE LIMITED * Guindy, Chennai-32 *

HINDUJA LEYLAND FINANCE LIMITED

Notes to consolidated financial statements for the year ended 31 March 2025

INR In Lakhs

54 **Share of individual companies in the consolidated net assets and consolidated profit or loss**

a **Share in net assets i.e. total assets minus total liabilities as a % of consolidated net assets**

Particulars	As at 31 March 2025		As at 31 March 2024	
	%	Amount	%	Amount
Parent Hinduja Leyland Finance Limited	77.88%	6,77,124	76.46%	5,20,799
Subsidiary Hinduja Housing Finance Limited	21.81%	1,89,671	23.19%	1,57,966
Subsidiary Gaadi Mandi Digital Platforms Limited	0.00%	11	0.00%	12
Associate HLF Services Limited	0.11%	946	0.12%	796
Joint venture Gro Digital Platforms Limited	0.20%	1,735	0.23%	1,492
Total	**100%**	**8,69,487**	**100%**	**6,81,066**

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

Particulars	Year ended 31 March 2025		Year ended 31 March 2024	
	%	Amount	%	Amount
Parent Hinduja Leyland Finance Limited	52.76%	40,824	53.46%	34,023
Subsidiary Hinduja Housing Finance Limited	48.04%	37,174	47.19%	30,033
Subsidiary Gaadi Mandi Digital Platforms Limited	0.00%	(1)	0.00%	-1
Associate HLF Services Limited	0.18%	141	0.18%	117
Joint venture Gro Digital Platforms Limited	-0.98%	(759)	-0.83%	-529
Total	**100%**	**77,380**	**100%**	**63,643**

c **Share in Other comprehensive income as a % of consolidated other comprehensive income**

Particulars	Year ended 31 March 2025		Year ended 31 March 2024	
	%	Amount	%	Amount
Parent Hinduja Leyland Finance Limited	106.01%	96,310	43.64%	25,023
Subsidiary Hinduja Housing Finance Limited	(6.02)%	(5,469)	56.34%	32,301
Subsidiary Gaadi Mandi Digital Platforms Limited	0.00%	-	0.00%	-
Associate HLF Services Limited	0.01%	9	0.02%	13
Joint venture Gro Digital Platforms Limited	0.00%	2	0.00%	(2.96)
Total	**100%**	**90,852**	**100%**	**57,334**

d **Share in Total comprehensive income as a % of consolidated total comprehensive income**

Particulars	Year ended 31 March 2025		Year ended 31 March 2024	
	%	Amount	%	Amount
Parent Hinduja Leyland Finance Limited	81.52%	1,37,134	48.40%	59,046
Subsidiary Hinduja Housing Finance Limited	18.84%	31,704	51.50%	62,334
Subsidiary Gaadi Mandi Digital Platforms Limited	0.00%	(1)	0.00%	(1)
Associate HLF Services Limited	0.09%	150	0.10%	130
Joint venture Gro Digital Platforms Limited	-0.45%	(755)	0.00%	(532)
Total	**100%**	**1,68,232**	**100%**	**1,20,977**

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HINDUJA LEYLAND FINANCE LIMITED * Guindy, Chennai 32 *

55 Subsequent events

There are no significant subsequent events that have occurred after the reporting period till the date of these consolidated financial statements which either requires disclosures or adjustment to carrying value of asset and liability as at balance sheet date.

56 Previous year figures

Previous year figures have been restated / regrouped / re-classified wherever necessary in line with the consolidated financial statements for the year ended 31 March 2025.The impact of restatements / regroupings / reclassification are not material to consolidated financial statements.

As per our report of even date
for **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Murad D. Daruwalla
Partner
Membership No: 043334

for **R. Subramanian and Company LLP**
Chartered Accountants
Firm Registration No: 004137S / S200041

R Kumarasubramanian
Partner
Membership No: 021888

Place : Chennai
Date : 17 May 2025

For and on behalf of the Board of Directors of
Hinduja Leyland Finance Limited
CIN : U65993MH2008PLC384221

Dheeraj G Hinduja
Chairman
DIN No : 00133410

Sachin Pillai
Managing Director & CEO
DIN No : 06400793

Vikas Jain
Chief Financial Officer

R Srividhya
Company Secretary
Membership No: A22261

WALKER CHANDIOK & CO LLP

R. SUBRAMANIAN AND COMPANY LLP Chennai 600 004 Chartered Accountants

HINDUJA LEYLAND FINANCE LIMITED Guindy, Chennai - 32.