

HINDUSTAN AUTO FINANCE LIMITED

Regd. Off: No-114, Mall Road, GTB Nagar, Delhi- 110009,
Corporate Off: 184, Abulane Meerut Cantt. Meerut-250001, Ph-0121-2660331
Email: hindaf1980@gmail.com, Website: www.hindaf.com

CIN-L65910DL1980PLC010617

Date: 31.10.2017

Head-Listing & Compliance,
**Metropolitan Stock Exchange of
India Ltd.**

Vibgyor Towers, 4th Floor, Plot
No. C 62,G- Block, Opp. Trident
Hotel, Bandra Kurla Complex,
Bandra (E), Mumbai- 400098

Symbol: HINDAUTO

Sub: Submission of documents of Annual General Meeting as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Ma'am,

Please find attached herewith Annual Report for the financial year 2016-17 in accordance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,

Submitted for your information and records.

Yours Sincerely,
For Hindustan Auto Finance Limited



Subhash Sapra
Managing Director
DIN: 00241940

Place: Delhi

Add: 114, Mall Road, GTB Nagar, Delhi- 110009

REFERENCE INFORMATION

BOARD OF DIRECTORS

Subhash Sapra	Managing Director
Neera Sapra	Director
Rajni Gupta <i>Resigned on 14.11.2016</i>	Independent Director
Mukhtar Singh <i>Resigned on 14.02.2017</i>	Independent Director
Mithlesh <i>Appointed on 14.02.2017</i>	Independent Director

KEY MANAGERIAL PERSONNEL

Subhash Sapra	Managing Director
Neera Sapra	Chief Financial Officer
Preeti Jain <i>Resigned on 24.08.2016</i>	Company Secretary

SECRETARIAL AUDITOR

Tanay Ojha

STATUTORY AUDITOR

Ravi Chopra & Associates
Chartered Accountants

REGISTRAR & SHARE TRANSFER AGENT

Beetal Financial and Computer Services Private Limited

99, Madangir, Behind, Local Shopping Centre, Near Dada, Harsukhdas Mandir, New Delhi- 110062

CIN

L65910DL1980PLC010617

REGISTERED OFFICE

114, Mall Road, GTB Nagar, New Delhi- 110009

CORPORATE OFFICE

184, Abu Lane, Meerut Cantt., Meerut- 250001

SHARES LISTED AT

Metropolitan Stock Exchange of India

E-MAIL

hindaf1980@gmail.com

WEBSITE

www.hindaf.com

TABLE OF CONTENTS

<i>S. No.</i>	<i>Content</i>
1.	Notice
2.	Board's Report
3.	Corporate Governance Report
4.	Compliance Certificate on Corporate Governance
5.	CEO/CFO Certification
6.	Compliance with code of conduct
7.	Management Discussion & Analysis Report
8.	Independent Auditor's Report
9.	Balance Sheet
10.	Profit and Loss Account
11.	Cash Flow Statement
12.	Proxy Form
13.	Ballot Form
14.	Attendance Slip
15.	Green Initiative Form/E-mail Updation Form
16.	Route Map

NOTICE

NOTICE is hereby given that the 37th Annual General Meeting of the members of Hindustan Auto Finance Limited will be held on Friday 29th day of September, 2017 at 04:00 P.M. at the registered office of the Company at 114, Mall Road, GTB Nagar, Delhi-110009 to transact the following businesses:

ORDINARY BUSINESS:

1. *Ordinary Resolution* to receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2017 and the Statement of Profit & Loss Account for the year ended on that date together with the report of Directors and Auditors' thereon.
2. *Ordinary Resolution* to appoint a Director in place of Ms. Neera Sapra (DIN: 00241941) who retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for *Re-appointment*.
3. *Ordinary Resolution* to ratify the appointment of **M/s Ravi Chopra & Associates, Chartered Accountants (Firm Registration No. 007335N)** for the financial year 2017-18 as Statutory Auditors.

SPECIAL BUSINESS:

4. **APPOINTMENT OF MS. MITHLESH AS AN INDEPENDENT DIRECTOR**

To appoint Ms. Mithlesh (DIN: 07704585) as an Independent Director of the Company, and to consider, and if thought fit, to pass, the following Resolution as an *Ordinary Resolution*:

“RESOLVED THAT pursuant to the provisions of Section 149 and 152 of the Companies Act, 2013, to be read with the rules made thereunder along with Articles of Association of the company, Ms. Mithlesh (DIN: 07704585), who was appointed as an Additional Director of the Company by the Board of Directors in their meeting held on February 14, 2017, to hold office up to the date of ensuing Annual General Meeting, and in respect of whom the Company has also received a notice of Intention in writing signifying her intention to propose herself as a candidate for the office of Director of the Company, be and is hereby appointed as an independent Director of the Company, **not being liable to retire by rotation”**

**By order of the Board of Directors
For Hindustan Auto Finance Limited**

Sd/-

(SubhashSapra)

Managing Director

(DIN:00241940)

Date: 01-09-2017

Place: Delhi

Add: 114, Mall Road, GTB Nagar, Delhi- 110009

NOTES:

1. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business(es) to be transacted at the Meeting is annexed hereto.

2. **A MEMBER WHO IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ONLY AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, PROXY FORMS DULY COMPLETED IN ALL RESPECTS SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person(s) or shareholder(s).

3. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send a Certified True Copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

4. Relevant documents as referred to in the accompanying Notice along with the Statements

are open for inspection by members at Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Annual General Meeting.

5. Brief details of Directors seeking re-appointment / appointment at the Annual General Meeting scheduled to be held on September 29, 2017 (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) forms part of the notice.
6. The Register of Members and Share Transfer Books will remain closed from Friday September 22, 2017 to Friday September 29, 2017 (both days inclusive).
7. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members may contact the Company or its Registrar & Share Transfer Agent (RTA), for assistance in this regard.
8. a) The members who are holding shares in physical form are requested to intimate any change in their address with pin code immediately either to the Company or to its Registrar & Share Transfer Agent (RTA) promptly.

b) The members who are holding shares in demat form are requested to intimate any change in their address with pin code immediately to their Depository Participants.
9. The Ministry of Corporate Affairs, Government of India (vide its circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' by allowing paperless compliances and recognizing delivery of Notices / Documents / Annual Reports, etc., to the shareholders through electronic medium. In view of the above, the Company will send Notices / Documents / Annual Reports, etc., to the shareholders through email, wherever the email addresses are available; and through other modes of service where email addresses have not been registered. Accordingly, members are requested to support this initiative by registering their email addresses in respect of shares held in dematerialized form with

their respective Depository Participants and in respect of shares held in physical form with the Company's Registrar and Transfer Agent, M/s. Beetal Financial & Computer Services (P) Ltd.

10. The shares of the Company are at presently listed on Metropolitan Stock Exchange of India.
11. The Board of Directors of the company has appointed Ms. Preeti Jain, Company Secretary(C. P. No. 17079), as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.
12. The Scrutinizer, after scrutinizing the votes cast at the meeting through Poll shall, not later than three days of conclusion of the Meeting, make a **"Scrutinizer's Report"** and submit the same to the Chairman. The results declared along with the scrutinizer's report shall be placed on website of the Company at www.hindaf.com and on the website of Stock Exchange at www.msei.in.The Report shall simultaneously be placed on Notice Board of the Company at premises of the Registered Office.
13. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the General Meeting.
14. Voting rights shall be reckoned on the Paid-up value of shares registered in the name of Member / Beneficial Owner (in case of shares in Dematerialized form) as on the cut-off date i.e. September 22, 2017.
15. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. Friday September 22, 2017only shall be entitled to avail the facility of Poll.
Note: A person who is not a Member as on the cut off date should treat this Notice for information purposes only.
16. No gifts, gift coupons, or cash in lieu of gifts shall be distributed toMembers at or in connection with the General Meeting.

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

APPOINTMENT OF MS. MITHLESH AS AN DIRECTOR

Ms.Mithlesh (DIN: 07704585) is proposed to be appointed as an Independent Director of the company. The duties of the Independent Director shall be discharged subject to superintendence, control and direction of the Board and shall perform on behalf of the company in the ordinary course of business including all such acts, deeds, matters and things, which in the ordinary course of business, he may consider necessary or proper or are in the interest of the company.

In view of her extensive experience, knowledge and dedicated efforts made for the Company, Board is considering her involvement, a necessity for Company's future growth.

Therefore, after consideration of all facts and circumstances, the Board recommends appointment of Ms.Mithlesh as an Independent Director of the Company.

None of the Director(s) are interested in the said resolution.

Terms & Conditions:

1.	Designation	Independent Director
2.	Term	For a period of 5 years from the date of AGM i.e. September 29, 2017 and shall not be liable to retire by rotation.
3.	Salary	There shall be no salary to the proposed director. However, a sitting fee can be paid if such proposal is passed by the Board.

PROFILE OF PROPOSED DIRECTOR

Name	NeeraSapra
Director Identification Number (DIN)	00241941
D.O.B.	27.07.1955
Qualification	Graduate (Arts)
Expertise in specific area	Administration
Date of First appointment on the Board of the Company	01/01/1999
List of Directorship held in other companies	None
Names of Listed Entities in which the person holds membership of Committees of the Board	Nil
Relationship between Directors Inter-se	Wife of Mr. SubhashSapra, Managing Director

PROFILE OF PROPOSED DIRECTOR

Name	Ms. Mithlesh
Director Identification Number (DIN)	07704585
D.O.B.	04.04.1969
Qualification	Graduate
Expertise in specific area	Administration & Estate Management
Date of First appointment on the Board of the Company	14.02.2017
Shareholding in the Company(<i>Only In case the Director to be appointed is a Non Executive Director</i>)	Nil
List of Directorship held in other companies	Distinctive Properties & Leasing Limited
Names of Listed Entities in which the person holds membership of Committees of the Board	Distinctive Properties & Leasing Limited
Relationship between Directors Inter-se	None

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present to the valued stakeholders, the 37th Annual Report of Hindustan Auto Finance Limited along with the Audited Financial Statements of the Company for the Year ended March 31st, 2017.

FINANCIAL HIGHLIGHTS- AT A GLANCE

➤ Overall Performance of your Company

- The Financial Year 2016-17 had been a little tumultuous for the Company as your Company has shown a conventional performance during the year under review. The net Profits of your Company had gone down from Rs. 19,660/- (2015-16) to Rs. 16,321/- (2016-17).

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

PARTICULARS	Amount (In Rs.)	
	2016-17	2015-16
Income from Business Operations	5,96,140	7,82,472
Other Income	0	0
Total Income	5,96,140	7,82,472
Less: Expenditure except Depreciation	5,75,090	7,62,812
Profit/Loss before Interest, Depreciation and Tax	21,050	19,660
Less: Interest and other Financial Charge(s)	0	0
Profit/Loss before Depreciation and Tax	21,050	19,660
Less: Depreciation	759	0
Profit/Loss before Tax	20291	19660
Less: Tax Expense	3970	0
Add: Deferred Tax Asset	0	0
Net Profit/Loss after Tax	16321	19660
Earnings per share:		
Basic	0.01	0.01
Diluted	0.01	0.01

DIVIDEND

With a view of augmenting financial resources for generating stable growth in future, the Board of Directors of the company have decided to carry forward entire profit and hence do not propose to recommend any dividend for the financial year on equity shares.

RESERVES

The Board proposes no amount to transfer to the reserves and an amount of Rs. 16,321/- is proposed to be retained in surplus.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

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

DEPOSITS

During the year under review, the Company has not accepted any deposits in terms of *section 73* of the Companies Act, 2013 to be read with the Companies (Acceptance of Deposits) Rule, 2014 as amended from time to time, and also no amount was outstanding on account of principal or interest thereon, as on the date of the Balance Sheet.

SUBSIDIARY / ASSOCIATE/ JOINT VENTURES COMPANIES OF THE COMPANY

The Company is not having any Subsidiary Company/ Joint Venture/ Associate Company during the financial year 2016-2017. Form AOC-1 is also Attached as **Annexure C**.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

CHANGE IN NATURE OF BUSINESS

During the year under review, there was no change in nature of business of the Company.

CHANGE IN DIRECTORS /KEY MANAGERIAL PERSONNEL DURING THE YEAR

The details about the changes in Directors or Key Managerial Personnel by way of Appointment, Re – designation, Resignation, Death, Dis-qualification, variation made or withdrawn etc. are as follows:

S. No.	Name	Designation	Nature of Change	With Effect From
1.	Rajni Gupta	Independent Director	Regularization	30.09.2016
2.	Rajni Gupta	Independent Director	Resignation	14.11.2016
3.	Mukhtar Singh	Independent Director	Resignation	14.02.2017
4.	Mithlesh	Independent Director	Appointment	14.02.2017
5.	Preeti Jain	Company Secretary	Resignation	24.08.2016

Ms. NeeraSapra (DIN: 00241941), Director will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Board recommends her re-appointment to the Board of the Company at the ensuing Annual General Meeting.

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

All Independent Directors have given declarations under section 149(7) that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and Rules made thereunder to be read with SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015.

DISCLOSURE OF CHANGE IN ACCOUNTING TREATMENT IN FINANCIAL STATEMENTS

During the period under review, there were no changes in the Accounting treatment in the Financial Statements for the financial year 2016-17, different from that as prescribed in Accounting Standards, prescribed by the Institute of Chartered Accountants of India (ICAI).

EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return under sub section 3 of Section 92 of the Companies Act, 2013 in Form MGT-9 is annexed herewith as “***Annexure A***”.

NUMBER OF MEETINGS OF THE BOARD

During the year under review, 6 Board Meetings, 4 Audit Committee Meetings, 1 Nomination Remuneration Committee Meetings, 4 Stakeholders' Relationship Committee Meetings were convened and held. All the Meetings including Committee Meetings were duly held and convened and the intervening gap between two consecutive meetings was within the period prescribed under the Companies Act, 2013 to be read with the SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015.

AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of section 177 of the Companies Act, 2013 to be read with Regulation 18 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015.

NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee of the Company is constituted in line with the provisions of section 178 of the Companies Act, 2013 to be read with Regulation 19 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee of the Company is constituted in line with the provisions of section 178 of the Companies Act, 2013 to be read with Regulation 20 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015.

VIGIL MECHANISM COMMITTEE

The Vigil Mechanism Committee of the Company is constituted in line with the provisions of section 177 of the Companies Act, 2013 to be read with Regulation 22 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015.

BOARD ANNUAL EVALUATION

The provisions of section 134(3)(p) of the Companies Act, 2013 read with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 mandate that a Formal Annual Evaluation is to be made by Board of its own performance and that of its Committee and individual Directors. Schedule IV of the Companies Act, 2013 provides that performance evaluation of the Independent Director shall be done by Directors excluding the Director being

evaluated. The Board carried out a formal annual performance evaluation as per the criteria/framework laid down by the Nomination & Remuneration Committee of the company and adopted by the Board. The evaluation was carried out through a structured evaluation process to judge the performance of individual Directors including the Chairman of the Board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement & contribution, independence of judgment, decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders.

The performance evaluation of the Independent Directors was carried out by the entire Board except the participation of concerned Independent Director whose evaluation was to be done. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Board was satisfied with the evaluation process and approved the evaluation results thereof.

REMUNERATION POLICY OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board on the recommendation of Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management Personnel and fixation of their remuneration thereof. The Policy contains, inter-alia, directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director, etc.

FAMILIARIZATION POLICY

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

STATUTORY AUDITOR, SECRETARIAL AUDITOR WITH THEIR QUALIFICATION, RESERVATION OR ADVERSE REMARKS ALONG WITH THE EXPLANATION OR COMMENTS BY THE DIRECTORS

A. STATUTORY AUDITOR

The members at the Annual General Meeting held on 29.09.2017, appointed M/s **Ravi Chopra & Associates**, Chartered Accountants (Registration No. **007335N**) as Statutory Auditors of the Company for a period of 1 year and to hold office till the conclusion of next Annual General Meeting of the Company subject to ratification at every AGM. Their period of office will expire at the ensuing Annual General Meeting. Therefore, the auditors have expressed their willingness to continue to act as Statutory Auditor for the Financial Year 2017-18.

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

The Notes on Accounts and observations of the Auditors in their Report on the Accounts of the Company are self-explanatory and in the opinion of the Directors, do not call for any further clarification(s). Also, the report submitted by the Auditor is unqualified.

B. SECRETARIAL AUDITOR

Pursuant to provision of section 204 of the Companies act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, the Company has appointed **TanayOjha, Practicing Company Secretary** to undertake Secretarial Audit of the Company.

The Secretarial Audit was conducted by Mr. TanayOjha, Practicing Company Secretary, and the report thereon is annexed herewith as “**Annexure- B**”.

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

The observation made by the Secretarial Auditor in its report is given below:

The Company has not appointed a Whole Time Company Secretary pursuant to Section 203 of the Companies Act, 2013.

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

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

INTERNAL AUDIT

The Company had appointed an Internal Auditor for the period 2016-2017 to carry out the Internal Audit Functions. The Internal Auditor submits a “Quarterly Report” to the Audit Committee.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITOR

There were no instances of fraud, those have been observed by the Statutory Auditor during audit of the financial statements for the financial year 2016-17, which are required to be disclosed by the company in its Board Report under Section 143 (12) of the Companies Act, 2013.

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

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

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

In the financial year 2016-2017, company did not enter into any contracts or arrangements with any related party. Form AOC-2 is also attached as **Annexure D**.

FINANCIAL POSITION

A) Issue of equity shares with differential voting rights

No equity shares with differential voting rights has been issued by the company during the financial year 2014-2015

B) Issue of sweat equity shares

The Company has not issued sweat equity shares pursuant to provisions of Section 54 read with Rule 8 of the Companies (Share Capital and Debenture) Rules, 2014 during the Financial Year.

C) Issue of employee stock options

The Company has not issued shares under employee's stock options scheme pursuant to provisions of Section Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014, so question does not arise about voting rights not exercised by employee during the year under review.

D) Buy Back Of Securities

The Company has not bought back any of its securities pursuant to the provisions of Section 67 and Section 68 of the Companies Act 2013 during the year under review.

D1) Voting Rights of Employees

During the year under review the company has not given loan to any employee for purchase of its own shares as per section 67 (3) (c) of the Companies Act, 2013. Therefore the company is not required to make disclosure as per rule 6 (4) of the Companies (Share Capital and Debentures) Rules, 2014.

MATERIAL CHANGES AND COMMITMENTS, IF ANY

There are no material changes or commitments noticed by the Board between the end of financial year of the company as on 31st March, 2017 and the date of this Report.

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

To the best of the Management's knowledge, no significant and material order(s) were passed by any regulator(s) or courts or tribunals which could impact the going concern status and company's operation in future.

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

The provisions of Section 134(3)(m) of the Companies Act, 2013 are not applicable to your Company since your Company being engaged in financing business, does not have any activity relating to conservation of energy neither does it undertake any Research and Development Activity or derive any benefit out of it. No effort made towards technology absorption. There was no foreign exchange inflow or outflow during the year under review.

RISK MANAGEMENT

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

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY

As per Regulation 22 of the SEBI Regulations, 2015, in order to ensure that the activities of the Company & its employees are conducted in a fair & transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior, the company has adopted a

vigil mechanism policy. This policy is explained in “Corporate Governance Report” and is also posted on website of the company.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

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

CORPORATE GOVERNANCE REPORT

As per Reg. 34 of SEBI Regulation, 2015 to be read with Part A of Schedule V of the said regulations, a separate section on corporate governance practices followed by the company, together with the certificate from the company’s Statutory Auditors confirming compliance forms an integral part of this Report.

HUMAN RESOURCE

The relationship with employees continues to be harmonious. The company always considers its human resource as its most valuable asset. Imparting adequate and specialized training to its employees is ongoing exercise in the company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

The Company has performed an evaluation and made an assessment of the adequacy and the effectiveness of the Company’s Internal Financial Control System. The Statutory Auditors of the Company have also reviewed the Internal Financial Control system implemented by the Company on the financial reporting and in their opinion, the Company has, in all material respects, adequate Internal Financial Control system over Financial Reporting and such Controls over Financial Reporting were operating effectively as on 31st March, 2017 based on the internal control over financial reporting criteria established by the Company.

The policies and procedures adopted by the Company ensure the orderly and efficient conduct of its business and adherence to the company’s policies, prevention and detection of frauds

and errors, accuracy & completeness of the records and the timely preparation of reliable financial information.

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

Audit committee meets regularly to review reports submitted by the Internal Auditors. The Audit Committee also meet the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system and compliance to accounting policies and procedures followed by the Company.

LISTING AGREEMENT

The shares of the Company are presently listed at Metropolitan Stock Exchange of India. All statutory dues including Annual Listing Fees for the Financial Year 2017-18 has been paid by the Company.

PERSONNEL RELATIONS

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

CODE OF CONDUCT

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

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

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

The company has two Executive Directors and remuneration paid to them, if any is disclosed in MGT-9. Further, no sitting fee has been paid to any director during the year.

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

- | | | |
|----|-------------------------------|------------|
| a) | Employed throughout the year | Nil |
| b) | Employed for part of the year | Nil |

The remuneration paid to all Key Managerial Personnel was in accordance with the remuneration policy as adopted by the company.

DIRECTOR'S RESPONSIBILITY STATEMENT

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

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

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for assistance and co-operation received from the various stake holders including Financial Institutions, Banks, Governmental

authorities and other business associates who have extended their valuable support and encouragement during the year under review.

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

**By Order of the Board of Directors
For Hindustan Auto Finance Limited**

Date: 01/09/2017

Place: Delhi

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

**Sd/-
Neera Sapra
Director
DIN: 00241941**

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2017
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L65910DL1980PLC010617
2	Registration Date	08-07-80
3	Name of the Company	Hindustan Auto Finance Limited
4	Category of the Company	Company Limited by Shares
5	Sub-category of the Company	Indian Non-Government Company
6	Address of the Registered office & contact details	114, Mall Road, GTB Nagar, Delhi- 110009 Email: hindaf1980@gmail.com Phone No. 0121-2660331
7	Whether listed company	Yes, MSEI
8	Name, Address & contact details of the Registrar & Transfer Agent, if any.	BEETAL Financial & Computer Services (P) Limited 99 Madangir, Behind Local Shopping Centre, Near Dada, Harsukhdas Mandir, New Delhi-110062 Ph.: 011-29961281-83

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Dealers of Textile Products	17299	90

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NIL				

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	974.600	-	974.600	27.82%	974.600	-	974.600	27.82%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	974.600	-	974.600	27.82%	974.600	-	974.600	27.82%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	974.600	-	974.600	27.82%	974.600	-	974.600	27.82%	0.00%
B. Public Shareholding									
I. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%

g) FIIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	74,900	74,900	2.14%	-	74900	74,900	2.14%	0.00%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	1,109,800	1,109,800	31.68%	0	1109800	1,109,800	31.68%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	148,700	967,800	1,116,500	31.87%	148700	967800	1,116,500	31.87%	0.00%
c) Others (specify)									
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	227,000	227,000	6.48%	-	227000	227,000	6.48%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	148,700	2,379,500	2,528,200	72.18%	148,700	2,379,500	2,528,200	72.18%	0.00%
Total Public (B)	148,700	2,379,500	2,528,200	72.18%	148,700	2,379,500	2,528,200	72.18%	0.00%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	0.00%
Grand Total (A+B+C)	1,123,300	2,379,500	3,502,800	100.00%	1,123,300	2,379,500	3,502,800	100.00%	0.00%

(ii) Shareholding of Promoter

S. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2016]			Shareholding at the end of the year [As on 31-March-2017]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Subhash Sapra	209,000	5.97%	0	209,000	5.97%	0	0.00%
2	Neera Sapra	578,200	16.51%	0	578,200	16.51%	0	0.00%
3	Subhash Sapra & Sons (HUF)	26,600	0.76%	0	26,600	0.76%	0	0.00%
4	Divya Sapra	117,200	3.35%	0	117,200	3.35%	0	0.00%
5	Dhruv Sapra	43,600	1.24%	0	43,600	1.24%	0	0.00%

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

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year [As on 31-March-2016]		Cumulative Shareholding during the year [As on 31-March-2017]	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			974,600	27.82%	974,600	27.82%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer /bonus/ sweat equity etc)			No Change		No Change	
	At the end of the year			974,600	27.82%	974,600	27.82%

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

S. No. 1	For each of the Top 10 shareholders	Shareholding at the beginning of the year [As on 31-March-2016]		Shareholding at the end of the year [As on 31-March-2017]	
		No. of shares	% of total shares	No. of shares	% of total shares
	DD Investment Private Limited	64,800	1.85%	64,800	1.85%
	Keshav C Verma	145,000	4.14%	145,000	4.14%
	Meghna Dembla	133,700	3.82%	133,700	3.82%
	Ashok Kumar Sood	75,100	2.14%	75,100	2.14%
	Kamlesh Khurana	50,100	1.43%	50,100	1.43%
	Prabha Sheopuri	39,300	1.12%	39,300	1.12%
	Manoj Sheopuri	39,000	1.11%	39,000	1.11%
	Nasiruddin	37,500	1.07%	37,500	1.07%
	MCR Rao	35,600	1.02%	35,600	1.02%
	Dharam Veer Singh	32,500	0.93%	32,500	0.93%

(v) Shareholding of Directors and Key Managerial Personnel:

S. No. 1	Shareholding of each Directors and Key Managerial Personnel	Shareholding at the beginning of the year [As on 31-March-2016]		Cumulative Shareholding during the year [As on 31-March-2017]	
		No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	209,000	5.97%	209,000	5.97%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	-	0.00%	-	0.00%
	At the end of the year	209,000	5.97%	209,000	5.97%
S. No. 2	Shareholding of each Directors and Key Managerial Personnel	Shareholding at the beginning of the year [As on 31-March-2016]		Cumulative Shareholding during the year [As on 31-March-2017]	
		No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	578,200	16.51%	578,200	16.51%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	-	0.00%	-	0.00%
	At the end of the year	578,200	16.51%	578,200	16.51%
S. No. 3	Shareholding of each Directors and Key Managerial Personnel	Shareholding at the beginning of the year [As on 31-March-2016]		Cumulative Shareholding during the year [As on 31-March-2017]	
		No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	-	0.00%	-	0.00%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)		0.00%		0.00%

	At the end of the year	-	0.00%	-	0.00%
S. No. 4	Shareholding of each Directors and Key Managerial Personnel	Shareholding at the beginning of the year [As on 31-March-2016]		Cumulative Shareholding during the year [As on 31-March-2017]	
		No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	-	0.00%	-	0.00%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	-	0.00%	-	0.00%
	At the end of the year	-	0.00%	-	0.00%
S. No. 5	Shareholding of each Directors and Key Managerial Personnel	Shareholding at the beginning of the year [As on 31-March-2016]		Cumulative Shareholding during the year [As on 31-March-2017]	
		No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year		0.00%		0.00%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)		0.00%		0.00%
	At the end of the year		0.00%		0.00%

V. INDEBTEDNESS

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

(Amt. Rupees)

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rupees)
		Subhash Sapra	Neera Sapra	
	Name	Subhash Sapra	Neera Sapra	
	Designation	Managing Director	Director	
1	Gross salary	90000	42000	132000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	90,000.00	42,000.00	132,000.00
	Ceiling as per the Act			

B. Remuneration to other Directors

S. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rupees)
		Mithlesh	Mukhtar Singh		
1	Independent Directors				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act				

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

S. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rupees)
		Neera Sapra			
	Name	Neera Sapra			
	Designation	CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

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

Sd/-

Subhash Sapra
Managing Director
DIN: 00241940

Add: 114, Mall Road, GTB Nagar,
Delhi

Sd/-

Neera Sapra
Director
DIN: 00241941

Add: 114, Mall Road, GTB Nagar,
Delhi

Date: 01.09.2017

Place: Delhi

MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017**

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

To,
The Members,
Hindustan Auto Finance Limited,
L65910DL1980PLC010617
No. 114, Mall Road,
GTB Nagar, Delhi-110009

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

Based on our verification of the **Hindustan Auto Finance Ltd** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2017** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Hindustan Auto Finance Ltd** ("the Company") for the financial year ended on **31st March, 2017** according to the provisions of:

- (a) The Companies Act, 2013 (the Act) and the rules made there under;
- (b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (c) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (d) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the company during the audit period).**
- (e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 4. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 6. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

7. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;(Not applicable to the company during the audit period).
8. The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015

- (f) The Environment (Protection) Act, 1986
- (g) The EPF & Misc. Provisions Act, 1952;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India,
- (ii) The Listing Agreements entered into by the Company with Metropolitan Stock Exchange of India Limited (MSEI).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

1. The Company has not appointed a Whole Time Company Secretary pursuant to Section 203 of the Companies Act, 2013.

We further report that

The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are not adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has not undertaken any specific transactions as given under below:

- (i) Public/Right/Preferential issue of Shares/debentures/sweat equity, etc.
- (ii) Redemption /buy back of Securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger/Amalgamation/reconstruction, etc.
- (v) Foreign technical collaborations

For TanayOjha & Associates.

Company Secretaries

Place: Kanpur

Date: 01/09/2017

**Sd/-
CS TanayOjha
ACS No.: 29658
C P No.: 10790**

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

Annexure B

To,
The Members,
Hindustan Auto Finance Limited,
L65910DL1980PLC010617
No. 114, Mall Road,
GTB Nagar, Delhi-110009

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

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

For TanayOjha& Associates.

Company Secretaries

Place: Kanpur
Date: 01/09/2017

CS TanayOhja
ACS No.: 29658

C P No.: 10790

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rupees)

S. No.	Particulars	Details
1.	Name of the subsidiary	Not Applicable
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4.	Share capital	Not Applicable
5.	Reserves & surplus	Not Applicable
6.	Total assets	Not Applicable
7.	Total Liabilities	Not Applicable
8.	Investments	Not Applicable
9.	Turnover	Not Applicable
10.	Profit before taxation	Not Applicable
11.	Provision for taxation	Not Applicable
12.	Profit after taxation	Not Applicable
13.	Proposed Dividend	Not Applicable
14.	% of shareholding	Not Applicable

- Names of subsidiaries which are yet to commence operations Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year Not Applicable

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Associate/Joint Venture	Not Applicable
1.	Latest audited Balance Sheet Date	Not Applicable
2.	Shares of Associate/Joint Venture held by the company on the year end	Not Applicable
	No.	Not Applicable
	Amount of Investment in Associate/Joint Venture	Not Applicable
	Extend of Holding%	Not Applicable
3.	Description of how there is significant influence	Not Applicable

4.	Reason why the associate/joint venture is not consolidated	Not Applicable
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	Not Applicable
6.	Profit/Loss for the year	Not Applicable
	Considered in Consolidation	Not Applicable
	Not Considered in Consolidation	Not Applicable

1. Names of Associate Companies/Joint Ventures which are yet to commence operations Not Applicable
2. Names of Associate Companies/Joint Ventures which have been liquidated or sold during the year Not Applicable

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

Date: 01.09.2017

Place: Delhi

**Sd/-
SubhashSapra
Managing Director
DIN: 00241940**

**Sd/-
NeeraSapra
Director
DIN: 00241941**

****Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified***

FORM NO. AOC.2

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

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

Details of contracts or arrangements or transactions not at Arm's Length basis			
1	a)	Name(s) of the related party and nature of relationship	Not Applicable
	b)	Nature of contracts/arrangements/ transactions	Not Applicable
	c)	Duration of the contracts/ arrangements/ transactions	Not Applicable
	d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Not Applicable
	e)	Justification for entering into such contracts or arrangements or transactions.	Not Applicable
	f)	Date(s) of approval by the Board	Not Applicable
	g)	Amount paid as advances, if any	Not Applicable
	h)	Date on which the special resolution was passed in General Meeting as required under first proviso to section 188.	Not Applicable

Detail of material contracts or arrangement or transactions at Arm's Length basis			
2	a)	Name(s) of the related party and nature of relationship	Not Applicable
	b)	Nature of contracts/arrangements /transactions	Not Applicable
	c)	Duration of the contracts/arrangements/ transactions	Not Applicable
	d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Not Applicable
	e)	Date(s) of approval by the Board, if any	Not Applicable
	f)	Amount paid as advances, if any	Not Applicable

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

Date: 01.09.2017

Place: Delhi

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

**Sd/-
Neera Sapra
Director
DIN: 00241941**

**Note: Form shall be signed by the persons who have signed the Board's report.*

COMPLIANCE REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company is committed to practice good Corporate Governance in all its activities and processes. The Directors' endeavor is to create an environment of fairness, equity and transparency with the underlying objective of securing long-term shareholder value, while, at the same time, respecting the rights of all stakeholders.

The Company adheres to the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (hereinafter referred to as SEBI (LODR) Regulations, 2015 or SEBI Regulations) and your management is taking all possible steps to fulfill its commitment in a judicious, fair and transparent manner.

II. BOARD OF DIRECTORS

The Board is entrusted with the ultimate responsibility of management, general affairs, direction and performance of the Company and had been vested with the requisite powers, authorities and duties.

A. Composition and Category of the Board of Directors

As on 31st March 2017, there were 3 Directors comprising 1 Executive Director i.e. Managing Director, 1 Non-Executive Director and 1 Non-Executive Independent Director.

The Board of Directors had appointed Ms. Mithlesh (Independent Director) as additional directors of the Company w.e.f. 14.02.2017.

Ms. Rajni Gupta resigned from the directorship w.e.f. 14.11.2016 due to some personal exigencies.

Mr. Mukhtar Singh resigned from the directorship w.e.f. 14.02.2017 due to some personal exigencies.

The board consists of eminent persons with considerable professional experience in business, industry, finance, audit and law. None of the Director is a member of more than ten committees and Chairman of more than five Committees across all the Companies in which they are directors. All the members have made disclosures regarding their directorship and memberships on various committees.

Category and attendance of each of the Directors at the Board Meetings held during 2016 -17 and the last Annual General Meeting is given below:

S. No.	Name	Category	Number of Board Meetings held during the year 2016-2017		Whether attended last AGM held on 30 th September, 2016	No. of Membership/ Chairpersons in mandatory Committees
			Held	Attended		
1.	SubhashSapra	Managing Director	6	6	Yes	3
2.	NeeraSapra	Director	6	6	Yes	3
3.	Mukhtar Singh*	Independent Director	6	6	Yes	2
4.	Rajni Gupta**	Independent Director	4	4	Yes	8
5.	Mithlesh***	Independent Director	6	0	No	1

* Mukhtar Singh ceased to be member of the Board w.e.f. 14.02.2017

**Rajni Gupta ceased to be member of the Board w.e.f. 14.11.2016

***Mithlesh was inducted into the Board with effect from 14.02.2017 by the Board.

Mr. SubhashSapra & Ms. NeeraSapra are relatives to each other as defined in Section 2 (77) of Companies Act, 2013 and Rule 4 of the companies (Specification of definitions details) Rules, 2014.

During the period, the Board of Directors of your Company met **Six times**. The dates on which the meetings were held are **30.05.2016, 12.08.2016, 29.08.2016, 02.09.2016, 14.11.2016 and 14.02.2017** and the gap requirement of 120 days between two meetings have been complied with. The necessary quorum was present for all the meetings.

The company issued formal letters of appointment to Independent Directors in the manner as provided in the Companies Act, 2013.

The company has also formulated a policy to familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

B. Code of Conduct

The Board has approved the code of conduct for all board members and senior management personnel of the Company. All Board members and senior management personnel have affirmed compliance with the Code of Conduct.

C. Non-Executive Directors Compensation and Disclosures

The Company does not have any pecuniary relationship with any Non-Executive Directors. No remuneration was given to any of the Non-Executive Director during the financial year 2016-17.

III. COMMITTEES OF THE BOARD

The terms of reference of Board Committees are determined by the Board from time to time. Presently the Company has 4 committees i.e. Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee & Internal Compliant Committee. All the decisions pertaining to the constitution of the Committees, appointment of members, and fixing of terms of reference for committee members are taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

A. Audit Committee

- i. The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Regulations, 2015 read with Section 177 of Companies Act, 2013.
- ii. The term of reference of the Audit Committee is as per Part C of Schedule II of the SEBI (LODR) Regulations, 2015 and provisions of Companies Act 2013.
- iii. The Audit Committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings.
- iv. The previous Annual General Meeting (AGM) of the Company was held on September 29, 2016 and was attended by Mr. Mukhtar Singh, Chairperson of the Audit Committee.
- v. The composition of the Audit Committee and the details of meetings attended by its members are given below:

S.No.	Name	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Mukhtar Singh*	Chairperson Till 14.02.2017	4	4
2.	Neera Sapra	Member	4	4
3.	Subhash Sapra	Member	4	4
4.	Mithlesh**	Chairperson From 14.2.2017	0	0

* Mukhtar Singh ceased to be member of the Committee w.e.f. 14.02.2017

**Mithlesh was inducted into the committee with effect from 14.02.2017 by the Board.

- vi. Four Audit Committee meetings were held during the year 2016-17 on **30.05.2016, 12.08.2016, 14.11.2016 and 14.02.2017.**

vii. The necessary quorum was present for all the meetings.

viii. The role of the **audit committee includes the following:**

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditor;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence & performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigation by the internal auditors in matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualification, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

ix. The audit committee shall **mandatorily** review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by the management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

x. Audit & other duties

1. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
2. Discussion with internal auditors of any significant findings and follow up thereon.
3. Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Internal Auditors considering their independence and effectiveness and their replacement and removal.
4. To recommend to the Board the remuneration of the Statutory Auditors and internal auditors.

5. To grant approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions subject to the approval of the Board.

B. Stakeholders Relationship Committee (erstwhile Shareholders' Grievance Committee)

- i. Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR Regulations, 2015, the Board has constituted Stakeholders' Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders and other security holders. Headed by Mr. Mukhtar Singh, the Non-Executive Director.
- ii. The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

S.No.	Name of the Member	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Mukhtar Singh*	Chairperson Till 14.02.2017	4	4
2.	Subhash Sapra	Member	4	4
3.	Rajni Gupta**	Member	3	3
4.	Mithlesh***	Chairperson From 14.02.2017	0	0
5.	Neera Sapra	Member	1	1

* Mukhtar Singh ceased to be member of the Committee w.e.f. 14.02.2017

**Rajni Gupta ceased to be member of the Committee w.e.f. 14.11.2016

***Mithlesh was inducted into the committee with effect from 14.02.2017 by the Board.

- iii. Four Stakeholders' Relationship Committee meetings were held during the year 2016-17 on **30.05.2016, 12.08.2016, 14.11.2016 and 14.02.2017**. The necessary quorum was present for all the meetings.

iv. Functions and Terms of Reference:

The Committee considers and resolves the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

The functioning and broad terms of reference of the Stakeholders' Relationship Committee of the Company are as under:

- a) To consider and resolve the grievance of security holders of the Company.
- b) To review important circulars issued by SEBI /Stock Exchanges

- c) To take note of compliance of Corporate Governance during the quarter/year.
d) To approve request for share transfer and transmissions.
e) To approve request pertaining to demat of shares/sub-division/consolidation/issue of renewed/duplicate share certificate etc.
v. **Name, designation and address of Compliance Officer:**

Name : SubhashSapra
Designation : Managing Director
Address : 114, Mall Road, GTB Nagar, Delhi-110009

- vi. **Details of investor complaints received and redressed during the year 2016-17 are as follows:**

No. of Complaints pending as on 1 st April, 2016	No. of Complaints received during the year 2016-17	No. of Complaints resolved during the year	No. of Complaints not resolved during the year to the satisfaction of shareholders	No. of Complaints pending as on 31 st March, 2017
NIL	NIL	NIL	NIL	NIL

C. Nomination & Remuneration Committee

- i. Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Board has duly constituted the Nomination & Remuneration Committee, with Non-Executive Directors and Independent Director as Chairperson. The composition of Nomination & Remuneration Committee is as follows:

S. No.	Name	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Mukhtar Singh*	Chairperson Till 14.02.2017	4	4
2.	NeeraSapra	Member	4	4
3.	Rajni Gupta**	Member	3	3
4.	Mithlesh***	Chairperson From 14.02.2017	0	0
5.	SubhashSapra	Member	1	1

* Mukhtar Singh ceased to be a director from 14.02.2017

** Rajni Gupta ceased to be a director with effect from 14.11.2016

***Mithlesh was inducted into the Committee with effect from 14.02.2017

ii. The terms of reference of the committee are as follows:

- a) Formulation of the criteria for determining qualification, positive attributes and independence of a director and to recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- b) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- c) Devising a policy on diversity of board of directors;
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

The remuneration policy as adopted by the company envisages the payment of remuneration according to qualification, experience and performance at different levels of the organization. The workers at the factory as well as those rendering clerical, administrative and professional services are suitably remunerated according to the industry norms.

The committee meetings were held on **30.05.2016, 12.08.2016, 14.11.2016 & 14.02.2017**. All of the committee meetings were chaired during the year by Mr. Mukhtar Singh who has been appointed as chairperson.

iii. Performance Evaluation Criteria For Independent Directors:

Performance Evaluation Criteria of Board members including Independent Directors as approved by the Board provides:

- a) Each of the director(s) are required to assign the rating on different parameters for the evaluation of board, independent director(s) and committees of the Board of Directors and has to submit the same to the Nomination & Remuneration Committee.
- b) The rating is to be assigned on a scale of five for the purpose of evaluation of performance as under:

Rating Scale	Scale Performance
5	Exceptionally Good
4	Good
3	Satisfactory
2	Needs Improvement
1	Unacceptable

- c) The Nomination & Remuneration Committee shall receive the Evaluation Forms in sealed cover and summarize the results. The Chairperson of the Nomination & Remuneration Committee may have discussions with individual director where clarification or interpretation is required.

- d) The Chairperson of the NRC shall develop a report on the basis of evaluation rating received. The Committee shall review the result and submit its recommendation for the consideration of Board.
- e) The Board shall review the recommendations of the Nomination & Remuneration Committee and issue necessary directions.

iv. Remuneration of Directors

The remuneration payable to all Directors including Managing Director is decided by the shareholders in the General Meeting. As per the Companies Act, 2013, the Board of Directors of the Company is empowered to determine the sitting fee payable to Independent Directors within the ceiling prescribed under the Companies Act, 2013.

None of the Independent Directors were paid any sitting fees during the financial year 2016-17.

Remuneration of Executive Directors for the financial year 2016-17

(Amount in `Rs.)

S. No.	Name of Director	Designation	Salary	Benefits	Performance Related Pay (PRP) for the year 2016-17	Total
1.	SubhashSapra	Managing Director	90000	-	-	90000
2.	NeeraSapra	Director	42000	-	-	42000
Total						132000

The Company had not given any stock options during the year 2016-17.

Except as mentioned above, there was no pecuniary relationship or transaction with Non-Executive Directors vis-a-vis the Company during the financial year 2016-17.

Criteria of making payment to non-executive directors are available on the website of the company at www.hindaf.com.

IV. RISK MANAGEMENT

As per Regulation 21 of SEBI Regulations, 2015, the Company is not required to constitute Risk Management Committee.

V. INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 14.02.2017, inter alia to discuss the following matters:

- i. Review the performance of Non-Independent Directors and the Board as a whole;
- ii. Review the performance of the Chairperson of the company, taking into account the views of

- Executive Directors and Non-Executive Directors;
- iii. Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VI. FORMULATION OF POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination & Remuneration Committee discussed and thereafter decided upon the policy for selection & appointment of Directors and their remuneration. The highlights of this policy are as follows:

A. Criteria of selection of Non-Executive Directors

- i. The Non- Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- ii. In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- iii. The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- iv. The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

B. Qualification, expertise and experience of Directors in their respective fields;

C. Personal, Professional or business standing;

D. Diversity of the Board.

E. In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

VII. REMUNERATION POLICY FOR THE SENIOR MANAGEMENT EMPLOYEES

I. In determining the remuneration of Senior Management Employees, the Committee shall ensure / consider the following:

- a) the relationship of remuneration and performance benchmark is clear;
- b) the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
- c) the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
- d) the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance and current compensation trends in the market.

II. The Independent Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors and thereafter shall recommend the annual increment and performance incentive to the Committee for its review and approval.

VIII. SUBSIDIARY COMPANIES

The Company does not have any Subsidiary Company during the financial year under review.

IX. RELATED PARTY TRANSACTIONS:

During the financial year 2016-17, the Company has not entered into any material transaction with any of its related party. Accordingly, the disclosure of Related Party Transactions as required under section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

X. PREVENTION OF INSIDER TRADING

Pursuant to SEBI Regulations, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

Disclosures

The company has always ensured fair code of conduct and maintained transparency. There were no instances of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years which has a bearing on the going concern status of the company.

In accordance with requirement of Companies Act as well as SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a vigil mechanism has been adopted by the board of directors and accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairperson of the Audit Committee of the Company to report any grievance. A link to such policy is also provided in the website of the company.

Compliance, rules & regulations as laid down by various statutory authorities have always been observed by the company since such change over both in letter as well as in spirit.

The Board has obtained certificates/disclosures from key management personnel confirming that they do not have any material financial or commercial interest in transactions with the company at large.

Compliance with Accounting Standards

In the preparation of financial statements, the Company has followed Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and relevant provision of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to Financial Statements.

XI. GENERAL BODY MEETING

a) Annual General Meeting

The details of last three Annual General Meetings (AGM) of shareholders held were as under:

Financial Year	Day and Date	Location	Time	Any Special Resolution passed
2013-14	Saturday, September 13, 2014	18, Basement, NRI Complex, Greater Kailash, Part- IV, Delhi-110019	03:00 P.M.	NO
2014-15	Wednesday, September 30, 2015	114, Mall Road, GTB Nagar, Delhi-110009	11:00 A.M.	YES
2015-16	Thursday, September 29, 2016	114, Mall Road, GTB Nagar, Delhi-110009	01:00 P.M.	NO

b) NoExtraordinary General Meeting of Members was held during the year 2016-17.

c) NoPostal Ballot was conducted during the year 2016-17.

XII. MEANS OF COMMUNICATION

The Company's quarterly financial results in the format prescribed under the SEBI Regulations, 2015, were approved and taken on record by the Board within the prescribed period under the Regulations and were sent to all Stock Exchanges on which the Company's shares are listed.

The quarterly, half-yearly and annual results of the Company are normally published both in Vernacularand English national newspapers. The results are also displayed on the Company's website at www.hindaf.com.

The Company has not displayed any official news release in any media.

XIII. DETAILS OF EQUITY SHARES OF THE COMPANY HELD BY THE NON-EXECUTIVE DIRECTORS AS ON MARCH 31, 2017 ARE GIVEN BELOW:

S. No.	Name	No. of Share held	Percentage
1.	Mithlesh	-	-

XIV. GENERAL SHAREHOLDER INFORMATION

S. No.	Particulars	Information
1.	Annual General Meeting	

	Day & Date	Friday, 29-09-2017
	Venue	114, Mall Road, GTB Nagar, Delhi
2.	Financial year	2016-17
3.	Book Closure	22/09/2017 to 29/09/2017
4.	Listed on	Metropolitan Stock Exchange of India
5.	Dividend payment date	The Company has not recommended or paid any dividend during the financial year 2016-17

XV. ANNUAL LISTING FEES

The Company has paid dues of the Stock Exchange(s) where the shares of the Company are listed.

XVI. Statutory Compliance, Penalties and Strictures

The Company has continued to comply with the requirements of the Stock Exchanges, SEBI, and other statutory authorities on all matters relating to the capital market during the last three years. There were no cases of penalties or strictures imposed on the Company by any Stock Exchange or SEBI or any other statutory authorities for any violation related to the Capital market during the last three years.

XVII. Listing Regulations Compliance

The company complies with all the mandatory requirements of the SEBI (LODR) Regulations, 2015.

XVIII. The disclosure of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:

According to the criteria laid down in Regulation 15(2) of the SEBI (LODR) Regulations, 2015, as on the last date of closure of financial year 2016-17, the paid up share capital of the Company was Rs. 3,50,28,000/- (i.e. below the stipulated limit of Rs. 10 crores) and net worth was Rs. 2,48,29,446/- (i.e. below the stipulated limit of Rs. 25 crores). Accordingly, the Company is not under an obligation to adhere to the requirements of Regulations **17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015.**

However, in order to follow best practices of corporate governance, the Company has complied with and is committed regularly towards complying with the requirements of the following:

1. The composition of the Board of Directors of the Company is in accordance with the requirements of Regulation 17;
2. The Audit Committee has been constituted in accordance with Regulation 18 with role as mentioned therein read with Part C of Schedule II;
3. Nomination & Remuneration Committee has been constituted in accordance with Regulation 19 read with Part D of Schedule II;

4. Stakeholders' Relationship Committee has been constituted to specifically look into the mechanism of redressal of grievances of shareholders, debenture holders and other security holders with role as mentioned in Part D of Schedule II;
5. Vigil Mechanism has been adopted by the Company pursuant to Regulation 22 of the Listing Regulations, 2015.

XIX. Outstanding DRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

As on date, there are no outstanding warrants /bonds/ other instruments having an impact on equity.

XX. Disclosure of commodity price risks, foreign exchange risks and hedging activities:

The Company is not exposed to any foreign exchange risk or commodity price risks and therefore, is not involved in commodity hedging activities.

XXI. STOCKEXCHANGE CODE

Stock Exchange	Scrip Code/Symbol
MSEI	HINDAUTO

XXII. Market price data- high, low during each month in last financial year and performance in comparison to broad-based indices:

The shares of the Company are not being traded currently. Therefore, market price data is not available for the financial year 2016-17.

XXIII. REGISTRAR & SHARE TRANSFER AGENT

The details of Registrar & Share Transfer Agent of the Company are as follows:

Beetal Financial and Computer Services (P) Ltd.
99 Madangir, Behind Local Shopping Centre, Near Dada,
HarsukhdasMandir, New Delhi-110062
Ph.: 011-29961281-83

XXIV. SHARE TRANSFER SYSTEM

The share transfer system consists of activities like receipt of shares along with transfer deed from transferees, its verification, preparation of Memorandum of Transfers, etc. Share transfers are approved/ratified by the Stakeholders' Relationship Committee. Share transfer activities are being carried out by Beetal Financial and Computer Services (P) Ltd. being Share Transfer Agent of the Company.

Shareholding of Nominal value of Rs. 10/-	No. of Shareholders	% of Shareholders	No. of Shares held	Amount	% to total
Up to 5000	267	35.41	78200	782000	2.23
5001-10000	211	27.98	186000	1860000	5.31
10001-20000	78	10.35	127500	1275000	3.64
20001-30000	50	6.63	132700	1327000	3.79
30001-40000	29	3.84	105200	1052000	3.00
40001-50000	24	3.18	117000	1170000	3.34
50001-100000	46	6.11	363200	3632000	10.37
100001 & above	49	6.50	2393000	23930000	68.32

Pursuant to Clause 47(c) of the Listing Agreement and Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on half yearly basis from Practicing Company Secretary confirming due compliance of share transfer formalities by the Company through its share transfer agent have been submitted to stock exchange(s) within the one month from the end of half financial year.

XXV. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2017:

Categories of Equity shareholders as on March 31, 2017

	Category	No. of Shares	% of Holding
1.	Promoters Holding		
	Promoters		
	-Indian Promoters	974600	27.82
	- Foreign Promoters	-	-
	-Persons acting in concert	-	-
	Sub Total	974600	27.82
2.	Non Promoters Holding		
	Institutional Investor	-	-
	Mutual Fund and UTI	-	-
	Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions/ Non Govt. Institutions)	-	-
	FII's	-	-
	Sub Total	-	-
3.	Others		
	Corporate Bodies	74900	2.14

Indian Public	2226300	63.56
NRI's/OCB's	227000	6.48
Any Other (HUF/Firm/Foreign Companies) Clearing Member	-	-
Sub Total	2528200	72.18
Grand Total	3502800	100

XXVI. DEMATERIALIZATION OF SHARES AND LIQUIDITY

The shares of the Company are in the compulsory dematerialized segment and are available for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Share Capital Audit Report regarding reconciliation of the total issued, listed and capital held by depositories in a dematerialized form with respect to the Equity Share Capital of the Company was obtained from the Practicing Company Secretary for each quarter during the year and submitted to the Stock Exchanges within the stipulated time.

Number of shares held in dematerialized and physical mode as on 31st March 2017.

Particulars	Total Shares	% to Equity
Shares in dematerialized form with NSDL	15000	0.43
Shares in dematerialized form with CDSL	1108300	31.64
Physical	2379500	67.93
Total	3502800	100

ISIN of the Company : INE806Q01018

The names and addresses of the depositories are as under:

- 1. National Securities Depository Limited**
Trade World, A-Wing, 4th & 5th Floors,
Kamala Mills Compound,
SenapatiBapatMarg,
Lower Parel, Mumbai - 400 013
- 2. Central Depository Services (India) Limited**
PhirozeJeejeebhoy Towers,
17th Floor, Dalal Street, Fort, Mumbai - 400 001

XXVII. Policy for determining material subsidiaries is available on the website of the company.

XXVIII. Policy on dealing with Related Party Transactions is available on the website of the company

XXIX. Company Details:

Registered Office : **114, Mall Road, GTB Nagar, Delhi- 110009**
Address for communication : **114, Mall Road, GTB Nagar, Delhi- 110009**

The phone numbers and e-mail addresses for communication are given below:

Particulars	Telephone Number	Fax No.
Registered Office: 114, Mall Road, GTB Nagar, Delhi- 110009	011-32965997	-
Corporate Office: 184, Abu Lane, Meerut Cantt., Meerut- 250001	0121-2660331	-

As per Circular of the Securities & Exchange Board of India dated 22.01.2007, exclusive e-mail address for redressal of Investor Complaints is hindaf1980@gmail.com.

**On behalf of Board of Directors
For Hindustan Auto Finance Limited**

Date: 01.09.2017
Place: Delhi

**Sd/-
Subhash Sapra
Managing Director**

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

(In terms of Regulation 34(3) and Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Hindustan Auto Finance Limited

We have examined the report of Corporate Governance presented by the Board of Directors of **Hindustan Auto Finance Limited** for the year ended 31st March, 2017 as stipulated in Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the same.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and according to the information and explanation given to us, the Company has taken required steps to comply with the conditions of corporate governance, to the extent applicable and as stipulated in the aforesaid SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that no investor grievance is pending for the period exceeding one month against the Company as per records maintained by the Stakeholders' Relationship Committee together with the status of Investor Grievance as on SEBI SCORES Portal.

We further state that such compliance is neither any assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Ravi Chopra & Associates
Chartered Accountants

Sd/-
Ravi Chopra
Partner

Date: 29.05.2017
Place: Delhi

CEO/CFO CERTIFICATION

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

1. I have reviewed the financial statements and the cash flow statement for the financial year and that to the best of my knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. there are, to the best of my knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
3. I accept responsibility for establishing and maintaining internal control for financial reporting and have evaluated the effectiveness of internal control system of the listed entity pertaining to financial reporting and have disclosed to the auditor along with the audit committee, deficiencies in the design or operation of such internal control(s), if any, of which I am aware and the steps I have taken or proposed to take to rectify these deficiencies.
4. during the year under reference:
 - a. there were no significant changes in internal control system over financial reporting;
 - b. there were no significant changes in accounting policies and that the same have been disclosed in the notes to the financial statements; and
 - c. there were no instance(s) of significant fraud involved therein, if any, of which the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For Hindustan Auto Finance Limited

**Sd/-
Neera Sapra
Chief Financial Officer**

COMPLIANCE WITH CODE OF CONDUCT

I, Subhash Sapra, Managing Director of the Company hereby certify that all the Directors and Senior Management Personnel have affirmed compliance with the code of the conduct of the company for the financial year ended on March 31, 2017.

Date: 01.09.2017

Place: Delhi

**Sd/-
Subhash Sapra
Managing Director**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

INDUSTRY STRUCTURE AND DEVELOPMENT

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

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

Industry Overview

Non-banking finance companies (NBFCs) form an integral part of the Indian financial system. They play an important role in nation building and financial inclusion by complementing the banking sector in reaching out credit to the unbanked segments of society, especially to the micro, small and medium enterprises (MSMEs), which form the cradle of entrepreneurship and innovation. NBFCs’ ground-level understanding of their customers’ profile and their credit needs give them an edge, as does their ability to innovate and customise products as per their clients’ needs. This makes them the perfect conduit for delivering credit to the unbanked and SMEs. However, NBFCs operate under certain regulatory constraints, which put them at a disadvantage position vis-à-vis banks. While there has been a regulatory convergence between banks and NBFCs on the asset side, on the liability side, NBFCs still do not enjoy a level playing field. This needs to be addressed to help NBFCs realise their full potential and thereby perform their duties with greater efficiency.

The asset financing NBFCs in the recent past, akin to banks, have witnessed muted growth with the primary sales of assets somewhat tapered down due to high interest, inflation and back to back below par monsoon. Some of the sectors which have been majorly impacted include Commercial Vehicle (CV), Construction Equipment (CE) and passenger auto sectors. However, the past year saw initial signs of revival of these sectors giving hope for brighter days ahead, especially with softening of interest rates and a projected better monsoon in FY-2018.

OPPORTUNITIES, CHALLENGES AND OUTLOOK

Opportunities

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

- NBFCs aspire to emerge as a one-stop shop for all financial services
- The sector has witnessed moderate consolidation activities in recent years, a trend expected to continue in the near future
- New banking license-related guidelines issued by RBI in early 2013 place NBFCs ahead in competition for licenses owing largely to their rural network
- New RBI guidelines on NBFCs with regard to capital requirements, provisioning norms & enhanced disclosure requirements are expected to benefit the sector in the long run

Challenges

Competitive rivalry between big players is intense in the industry

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

Outlook

However, FY-2017 has started on a positive note. Inflation continues to be low, RBI has cut rates further and most importantly, monsoon forecast by both Skymet as well as Indian Met Department is good. Infrastructure is also expected to see positive traction especially in Roads and Mining sector. Crude prices remain low and green shoots of economic recovery are visible.

Faster and more effective decision making and implementation of various initiatives already launched by the incumbent government are key drivers for the economic recovery. Reduction in global crude oil prices and consumer inflation numbers has provided the Indian government with a window of opportunity to put in place the building blocks for a sustained growth trajectory. The government continues to focus on roads and infrastructure projects by removing bottlenecks. Ongoing process of launching small banks and payment banks are key growth drivers for the asset finance industry. While signs of recovery are clearly seen in certain product segments, FY 2016-17 is expected to be a year of consolidation, so that the industry is ready for the next phase of growth. GDP growth is expected to improve on the back of proactive government initiatives and revival of commercial activity.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial statements have been prepared in accordance with the requirements of the Companies Act, 2013 and applicable accounting standards issued by the Institute of Chartered Accountants of India. The details of the financial performance of the Company are appearing in the Balance Sheet, Profit & Loss Accounts and other financial statements forming part of this annual report.

INTERNAL CONTROL SYSTEM

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

HUMAN RESOURCE DEVELOPMENT

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

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

CAUTIONARY STATEMENT

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

within India and the countries with which the Company conducts business and other incidental factors.

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

**Date:01.09.2017
Place: Delhi**

**Sd/-
SubhashSapra
Managing Director
DIN: 00241940**

RAVI CHOPRA & ASSOCIATES

CHARTERED ACCOUNTANTS

9/54, (Basement), Vikram Vihar, Lajpat Nagar-1V, New Delhi-110024
Phone : (0) 26293635, 26293646 Tel/Fax : 26293646

Independent Auditor's Report

To the Members of **M/S HINDUSTAN AUTO FINANCE LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of M/S HINDUSTAN AUTO FINANCE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit/loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For RAVI CHOPRA & ASSOCIATES
Chartered Accountants
FRN : 007335N

Place :- NEW DELHI
Date :- 29/05/2017

Sd/-
RAVI CHOPRA
(PARTNER)
M.No.- 083390

RAVI CHOPRA & ASSOCIATES

CHARTERED ACCOUNTANTS

9/54, (Basement), Vikram Vihar, Lajpat Nagar-1V, New Delhi-110024
Phone : (0) 26293635, 26293646 Tel/Fax : 26293646

Annexure 'A'

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

- i.
 - a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - c. The title deeds of immovable properties are held in the name of the company.
- ii As explained to us company has no inventories during the year therefore requirements of point no. ii are not applicable
- iii In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- iv The company has not accepted any deposits from the public covered under sections 73 to 76 of the Companies Act, 2013.
- v As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vi.
 - a. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2017 for a period of more than six months from the date they became payable.
 - b. According to the information and explanations given to us, there is amount of Rs.86,291/- payable in respect of income tax, which have not been deposited on account of dispute.
- vii In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company.

- viii Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.
- ix According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- x According to the information and explanations given to us, we report that managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xi The company is not a Nidhi Company. Therefore clause xii) of the order is not applicable to the company.
- xii According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiii The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xiv The company has not entered into non-cash transactions with directors or persons connected With him.
- xv The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Or

The company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained.

For RAVI CHOPRA & ASSOCIATES
Chartered Accountants
FRN : 007335N

Place :- NEW DELHI
Date :- 29/05/2017

Sd/-
RAVI CHOPRA
(PARTNER)
M.No. - 083390

Report on Internal Financial Controls Over Financial Reporting

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

We have audited the internal financial controls over financial reporting of M/S HINDUSTAN AUTO FINANCE LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place :- NEW DELHI
Date :- 29/05/2017

For RAVI CHOPRA & ASSOCIATES
Chartered Accountants
FRN : 007335N

Sd/-
RAVI CHOPRA
(PARTNER)
M.No.- 083390

HINDUSTAN AUTO FINANCE LIMITED
NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT
AS ON 31ST MARCH 2017

CORPORATE INFORMATION

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

I. SIGNIFICANT ACCOUNTING POLICIES:-

1 BASIS OF ACCOUNTING

The financial statements have been drawn up under the historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in India and Accounting Standards (AS) as notified under the Companies (Accounting Standards) Rules, 2006.

2 REVENUE RECOGNITION

- a) Additional Hire Charges / Lease Charges are in the nature of compensation charges and Penal Charges are on recognised basis.
- b) Hire Purchase Income is apportioned equally over the Hire Period., However, for cases financed after 1-4-1997, income has been computed on the IRR method.
- c) The prudential Norms prescribed by the RBI regarding the Non-Performing Assets are being followed by the company and no income is recognised in respect of nonperforming Assets.

3 STOCK ON-HIRE

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

4 FIXED ASSETS/DEPRECIATION

OWN ASSETS

- a) Fixed assets are shown at historical cost less accumulated depreciation.
- b) Depreciation on fixed assets is provided on straight-line method at the rates prescribed under Schedule II to the Companies Act, 2013.

LEASED ASSETS

With effect from 1st April 1997 the lease equalization on leased assets acquired after the date is computed as per the mentioned recommended by the Institute of Chartered Accountants of India (ICAI) by charging the cost of assets over the primary lease period through lease equalization account.

5. INVESTMENTS

- a) Investments are classified as long term or short term depending upon the intention to sell the same. Generally, investments which are readily realizable and are intended to be held for not more than one year from the date of investments are leading as short term investments.
- b) In term of prudential norms of Reserve Bank of India, the long term investments are valued as cost. The quoted short terms investments are valued at cost market price which ever is lower. The unquoted short-term investments are valued at cost or break up value, whichever is lower.
- c) Provision for diminution in the value of current investment is made on an individual scrip basis. No provisions are made for temporary diminution in value of permanent investment.

6. **PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources would be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimation. A contingent liability is disclosed unless the possibility of an outflow of resources embodying the economic benefits is remote. Contingent Assets are neither recognized nor disclosed in the financial statements.

7. **EARNING PER SHARE**

Earning per share is computed after dividing earnings available for equity shareholders with weighted average number of equity shares outstanding at the year end.

2. **NOTES TO ACCOUNTS:-**

I. CONTINGENT LIABILITIES:

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

2. **EARNING PER SHARE**

PARTICULARS	2016-17	2015-16
Earnings available for equity shareholders	16,321	19,660
Weighted • average number of equity share	35,02,800	35,02,800
Earnings per share	-	0.01

3. **RELATED PARTY DISCLOSURE**

Parties where control exist:

Persons having significant control-1)Subhash Sapra
2)Neera Sapra

Key managerial person-1)Subhash Sapra
2)Neera Sapra

Nature of transaction-Managerial Remuneration Volume
of Transaction-CY: Rs. 1,32,000(Dr.)

PY: Rs. 1,32,000(Dr.)

Closing Balance of Transaction - CY: Rs. NIL
PY: Rs. 22700 (DR)

4. PAYMENT TO AUDITORS

<u>PARTICULARS</u>	<u>2016-17</u>	<u>2015-16</u>
Audit fees	<u>12,500</u>	<u>12,500</u>

5. Previous year figures are regrouped and rearranged according to the requirement of schedule III. Assets and liabilities are classified as current and noncurrent based on the period of the operating cycle of the business and in case of absence of period of operating cycle it can be considered to be at last equal to 12 months.

6. Other disclosure requirement of schedule III

Details of services provided

<u>PARTICULARS</u>	<u>2016-17</u>	<u>2015-16</u>
Brokerage	-	-
Hire Charges	5,96,140	7,82,472

7. Debtors and creditors are subject to confirmation

8. These notes are integral part of financial statement for financial year 2016-17

As per our Audit Report of even date
For RAVI CHOPRA & ASSOCIATES
Chartered Accountants

For HINDUSTAN AUTO FINANCE LIMITED

Sd/-
RAVI CHOPRA
Partner
M.No. 83390
FRN : 007335N

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

Sd/-
Neera Sapra
(Director)
DIN: 00241941

Place: New Delhi

Date: 29th May 17

Rs in rupees

Particulars	Note No.	As at 31st March 2017	As at 31st March 2016
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	1	35,028,000.00	35,028,000.00
Reserves and surplus	2	(1,01,98,554.00)	(1,02,14,875.00)
Money received against share warrants		24,829,446.00	24,813,125.00
Share application money pending allotment			
Non-current liabilities			
Long-term borrowings			
Deferred tax liabilities (Net)			
Other long term liabilities	3	86,291.00	86,291.00
Long-term provisions	4	53,759.00	53,759.00
		140,050.00	140,050.00
Current Liabilities			
Short-term borrowings			
Trade payables			
(A) Micro enterprises and small enterprises			
(B) Others			
Other current liabilities	5	1,186,114.00	1,782,563.00
Short-term liabilities	4		
		1,186,114.00	1,782,563.00
TOTAL		26,155,610.00	26,735,738.00
ASSETS			
Non-current assets			
Fixed assets	6	56,234.00	48,843.00
Trangible assets			
Intangible assets			
Capital work-in-Progress			
Intangible assets under development			
Non-current investments			
Deferred tax assets (net)			
Long-term loans and advances	7	5,814,857.00	7,198,857.00
Other non-current assets	8	19,845,500.00	19,249,360.00
		25,716,591.00	26,497,060.00
current assets			
Current investments			
Inventories			
Trade receivables			
Cash and cash equivalents	9	439,019.00	182,678.00
Short-term loans and advances	7		56,000.00
Other current assets			
		439,019.00	238,678.00
TOTAL		26,155,610.00	26,735,738.00

The accompanying notes are an integral part of the financial statements

As per our report of even date
For RAVI CHOPRA & ASSOCIATES
Chartered Accountants
(FRN : 007335)
Sd/-

Ravi Chopra
PARTNER
Membership No. : 083390
Place : NEW DELHI
Date : 29/05/2017

For and on behalf of the Board of Directors

Sd/-
SUBHASH SAPRA
MANAGING DIRECTOR
DIN: 00241940

Sd/-
NEERA SAPRA
DIRECTOR & CFO
DIN: 00241941

Statement of Profit and Loss for the year ended 31st March 2017

Rs in rupees

Particulars	Note No.	31st March 2017	31st March 2016
Revenue			
Revenue from operations	10	596,140.00	782,472.00
Less : Excise duty			
Net Sales		596,140.00	782,472.00
Other Income			
Total revenue		596,140.00	782,472.00
Expenses			
Cost of material Consumed			
Purchase of stock-in-trade	12		
Changes in inventories			
Employee benefit expenses	13	338,285.00	369,045.00
Finance costs	14		
Depreciation and amortization expenses	15	759.00	
Other expenses	16	236,805.00	393,767.00
Total expenses		575,849.00	762,812.00
Profit before exceptional, extraordinary and prior period items and tax		20,291.00	19,660.00
Exceptional items			
Profit before extraordinary and prior period items and tax		20,291.00	19,660.00
Extraordinary items			
Prior period item			
Profit before tax		20,291.00	19,660.00
Tax expenses			
Current tax	17		
Deferred tax			
Excess/short provision relating earlier year tax		3,970.00	
Profit / Loss for the period		16,321.00	19,660.00
Earning per share			
Basic	18		
Before extraordinary items			
After extraordinary Adjustment			
Diluted			
Before extraordinary items			0.01
After extraordinary Adjustment			0.01

The accompanying notes are an integral part of the financial statements

As per our report of even date

For RAVI CHOPRA & ASSOCIATES

Chartered Accountants

(FRN : 007335)

Sd/-

Ravi Chopra

PARTNER

Membership No. : 083390

Place : NEW DELHI

Date : 29/05/2017

For and on behalf of the Board of Directors

Sd/-

SUBHASH SAPRA
MANAGING DIRECTOR
DIN: 00241940

Sd/-

NEERA SAPRA
DIRECTOR & CFO
DIN: 00241941

HINDUSTAN AUTO FINANCE LIMITED

Regd. Off: No-114, Mall Road, GTB Nagar, Delhi- 110009,
Corporate Off: 184, Abulane Meerut Cantt. Meerut-250001, Ph-0121-2660331
Email: hindaf1980@gmail.com, Website: www.hindaf.com
CIN-L65910DL1980PLC010617

Cash Flow Statement For The Year Ended 31st March 2017

₹ in rupees

	PARTICULARS	31st March 2017	31st March 2016
A.	Cash Flow From Operating Activities		
	Net Profit before tax and extraordinary items(as per Statement of Profit and Loss)	20,291.00	19,660.00
	Adjustments for non Cash/ Non trade items:		
	Depreciation & Amortization Expenses	759.00	0
	Finance Cost	0	0
	Other Inflows / (Outflows) of cash	0	53,759.00
	Operating profits before Working Capital Changes	21,050.00	73,419.00
	Adjusted For:		
	Increase / (Decrease) in other current liabilities	(596,449.00)	591,854.00
	(Increase) / Decrease in Short Term Loans & Advances	56,000.00	1,07,300.00
	Cash generated from Operations	(540,449.00)	772,573.00
	Net Cash flow from Operating Activities(A)	(519,399.00)	772,573.00
B.	Cash Flow From Investing Activities		
	Cash advances and loans made to other parties	13,84,000.00	(14,00,000.00)
	Other Inflow / (Outflows) of cash	(596,140.00)	(3,06,231.00)
	Net Cash used in Investing Activities(B)	787,860.00	(1,706,231.00)
C.	Cash Flow From Financing Activities		
	Finance Cost	0	0
	Other Inflows / (Outflows) of cash	12,120.00	0
	Net Cash used in Financing Activities(C)	12,120.00	0
D.	Net Increase / (Decrease) in Cash & Cash Equivalents(A+B+C)	256,341.00	(933,658.00)
E.	Cash & Cash Equivalents at Beginning of period	182,678.00	11,16,336.00
F.	Cash & Cash Equivalents at End of period	439,019.00	1,82,678.00
G.	Net Increase / (Decrease) in Cash & Cash Equivalents(F-E)	256,341.00	(933,658.00)
H.	Difference (F-(D+E))		

As per our report of even date
For RAVI CHOPRA & ASSOCIATES

For and on behalf of the Board of Directors

Sd/-
Chartered Accountants
(FRN: 007335N)
RAVI CHOPRA
PARTNER
Membership No: 083390

Sd/-
SUBHASH SAPRA
CHAIRMAN
DIN: 00241940

Sd/-
NEERA SAPRA
DIRECTOR
DIN: 00241941

Place : New Delhi
Date: 30/05/2016

Note:

1. The Cash Flow Statement has been prepared by Indirect Method as per AS-3 issued by ICAI.
2. Figures of previous year have been rearranged/regrouped wherever necessary
3. Figures in brackets are outflow/deductions

Notes to Financial statements for the year ended 31st March 2017

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

Note No. 1 Share Capital

Particulars	in rupees	
	As at 31st March 2017	As at 31st March 2016
Authorised :		
6000000 (31/03/2016:6000000) Equity shares of Rs. 10.00/- per value	60,000,000.00	60,000,000.00
Issued :		
3502800 (31/03/2016:3502800) Equity shares of Rs. 10.00/- per value	35,028,000.00	35,028,000.00
Subscribed and paid-up :		
3502800 (31/03/2016:3502800) Equity shares of Rs. 10.00/- per value	35,028,000.00	35,028,000.00
Total	35,028,000.00	35,028,000.00

Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity shares	in rupees			
	As at 31st march 2017		As at 31st March 2016	
	No. of Shares	Amount	No. of shares	Amount
At the beginning of the period	3,502,800	35,028,000.00	3,502,800	35,028,000.00
Issued during the Period				
Redeemed or bought back during the period				
Outstanding at the end of the period	3,502,800	35,028,000.00	3,502,800	35,028,000.00

Right, Preferences and Restriction attached to shares

Equity shares

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

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

Type of Share	Name of Shareholders	As at 31st March 2017		As at 31st March 2016	
		No. of shares	% of Holding	No. of shares	% of Holding
Equity [NV: 10.00]	SUBHASH SAPRA	209,000	5.97	209,000	5.97
Equity [NV: 10.00]	NEERA SAPRA	578,200	16.51	578,200	16.51
Equity [NV: 10.00]	DD INVESTMENTS PRIVATE LIMITED	238,500	6.81	238,500	6.81
	Total	1,025,700	29.29	1,025,700	29.29

Note No. 2 Reserves and surplus

Particulars	As at 31st March 2017	As at 31st march 2016
Surplus		
Opening Balance	(1,09,87,575.00)	(1,09,73,815.00)
Add: Profit for the year	16,321.00	19,660.00
Less: Accelerated dep. As per Companies Act, 2013		(33,420.00)
Closing Balance	-10,971,254.00	(1,09,87,575.00)
Other reserves		
Opening Balance	772,700.00	772,700.00
Add: Addition during the year		
Less; Deletion during the year		
Closing Balance	772,700.00	772,700.00
Balance carried to balance sheet	(1,01,98,554.00)	(1,02,14,875.00)

Note No. Long-term borrowings

in rupees

Particulars	As at 31st March 2017			As at 31st March 2016		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
Term Loan-From others						
M/s Car Nation Commodities Pvt Ltd unsecured					355,000.00	355,000.00
					355,000.00	355,000.00
Loans and advances from related parties						
Loans and advances from others unsecured		500,000.00	500,000.00			
		500,000.00	500,000.00			
The Above Amount includes						
Unsecured Borrowings		500,000.00	500,000.00		355,000.00	355,000.00
Amount Disclosed under the Head "Other Current Liabilities" (Note No. 5)		(5,00,000.00)	(5,00,000.00)		(3,55,000.00)	(3,55,000.00)
Net Amount			0			0

Note No. 3 Other long term liabilities

Particulars	As at 31st March 2017	As at 31st March 2016
Others	86,291.00	86,291.00
Income Tax Demand	86,291.00	86,291.00
Total	86,291.00	86,291.00

Note No. 4 Provisions

in rupees

Particulars	As at 31st March 2017			As at 31st March 2016		
	Long-term	Short-term	Total	Long-Term	Short-Term	Total
Other provisions						
Provision for doubtful debts	53,759.00		53,759.00	53,759.00		53,759.00
	53,759.00		53,759.00	53,759.00		53,759.00
Total	53,759.00		53,759.00	53,759.00		53,759.00

Note No. 5 Other current liabilities

in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
Current maturities of long-term debt (Note No.)	500,000.00	355,000.00
Income Received in Advance		
Option money	95	95
	95	95
Other payables	35,709.00	52,306.00
Expenses payable	650,310.00	1,375,162.00
Cheque issued not presented	686,019.00	1,427,468.00
Total	1,186,114.00	1,782,563.00

HINDUSTAN AUTO FINANCE LIMITED
 114, MALL ROAD, GTB NAGAR, NEW DELHI-110009
 CIN : L65910DL1980PLC010617

Note No. 6 Fixed Assets Chart as at 31st March 2017

	Assets	Useful Life (in Years)	Gross Block					Accumulated Depreciation / Amortisation				Net Block	
			Balance as at 1st April 2016	Additions during the year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March 2017	Balance as at 1st April 2016	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2017	Balance as at 31st March 2017	Balance as at 31st March 2016
A	Tangible assets												
	Own Assets												
	Furniture	10.00	360,378.00				360,378.00	358,922.00			358,922.00	1,456.00	1,456.00
	Office equipments	5.00	947,742.00	8,150.00			955,892.00	900,355.00	759.00		901,114.00	54,778.00	47,387.00
	Total (A)		1,308,120.00	8,150.00			1,316,270.00	1,259,277.00	759.00		1,260,036.00	56,234.00	48,843.00
	P.Y Total		1,308,120.00				1,308,120.00	1,225,857.00			1,259,277.00	48,843.00	82,263.00

General Notes :

1. No depreciation if remaining useful life is negative or zero.
2. Depreciation is calculated on pro-rata basis in case assets is purchased/sold during current F.Y.
3. If above assets is used for any time during the year for double shift, the depreciation will increase by 50% for that period and in cae of the triple shift the depreciation shall be calculated on the basis of 100% for that period.

Statement showing assets wise calculation of depreciation as per Companies Act 2013 (S.L.M. Method)

Name of Asset Group of asset	Furniture Furniture and Fittings	Useful Life (in Years) Shift Type		10 Single							
Particulars	Date of purchase of asset	Original cost of asset	Residual value	WDV as on 31.03.2016	Date of sale of asset if any	Standard life as per Cos act 2013 (in Days)	Life elapsed (in Days) (difference between date of purchase to 31.03.2016)	Remaining useful life as on 31.03.2016 (in Days) (0017-0018)	Assets used during current F.Y. (in Days)	Dep Rate	Depreciation (Col5 - Col4 / Col9 * Col10)
1	2	3	4	5	6	7	8	9	10	11	12
Furniture	05-10-00	360,378.00	1,456.00	1,456.00		3,650.00	5,657.00	2,007.00	0.00	0.00	
Total		360,378.00	1,456.00	1,456.00							

Statement showing assets wise calculation of depreciation as per Companies Act 2013 (S.L.M. Method)

Name of Asset Group of asset	Office equipments Office equipments	Useful Life (in Years) Shift Type		5 Single							
Particulars	Date of purchase of asset	Original cost of asset	Residual value	WDV as on 31.03.2016	Date of sale of asset if any	Standard life as per Cos act 2013 (in Days)	Life elapsed (in Days) (difference between date of purchase to 31.03.2016)	Remaining useful life as on 31.03.2016 (in Days) (0017-0018)	Assets used during current F.Y. (in Days)	Dep Rate	Depreciation (Col5 - Col4 / Col9 * Col10)
1	2	3	4	5	6	7	8	9	10	11	12
Office equipment	05-01-07	947,742.00	47,387.10	47,387.10		1,825.00	3,374.00	-1,549.00	0.00	0.00	
Office equipment	04-10-16	8,150.00	407.50			1,825.00	0	1825	179	9.31	759.00
Total		955,892.00	47,794.60	47,387.10							759.00

*Depreciation rate = (Depreciation / Amount of purchase) * 100 / Shift

Note No. 7 Loans and advances

in rupees

Particulars	As at 31st March 2017		As at 31st March 2016	
	Long-term	Short term	Long term	Short term
Security Deposit				
Unsecured, considered good	2,900.00		900	
	2,900.00		900	
Loans and advances to related parties				
Unsecured, considered good	14,000.00		1,400,000.00	56,000.00
	14,000.00		1,400,000.00	56,000.00
Other loans and advances				
Unsecured, considered good (Head)	5,797,957.00		5,797,957.00	
	5,797,957.00		5,797,957.00	
Total	5,814,557.00		7,198,857.00	56,000.00

Note No. 8 Other non-current assets

in rupees

Particulars	As at 31st March 2017	As at 31st Maarch 2016
Trade receivables	19,840,500.00	19,244,360.00
Non Current Bank Balance (Note No. 9)	5,000.00	5,000.00
Total	19,845,500.00	19,249,360.00

Note No. Trade receivables

in rupees

Particulars	As at 31st March 2017	As at 31st Maarch 2016
Particulars		
Exceeding six months		
Total		
Total		

Note No. 9 Cash and cash equivalents

in rupees

Particulars	As at 31st March 2017	As at 31st Maarch 2016
Balance with banks		
total		
Cash in hand		
Cash in hand	439,019.00	182,678.00
Total	439,019.00	182,678.00
Total	439,019.00	182,678.00

Note No. 10 Revenue from Operations

in rupees

Particulars	31st March 2017	31st March 2016
Sale of services	596,140.00	782,472.00
Net revenue from operations	596,140.00	782,472.00

Note No. 13 Employee benefit expenses

in rupees

Particulars	31st March 2017	31st March 2016
Salaries and Wages	336,000.00	367,400.00
Staff Welfare Expenses	2,285.00	1,645.00
Total	338,285.00	369,045.00

Note No. 15 Depreciation and amortization expenses

in rupees

Particulars	31st March 2017	31st March 2016
Depreciation on tangible assets	759.00	
Total	759.00	

HINDUSTAN AUTO FINANCE LIMITED
114, MALL ROAD, GTB NAGAR, NEW DELHI-110009
CIN : L65910DL1980PLC010617

Note No. 16 Other expenses

in rupees

Particulars	31st March 2017	31st March 2016
Director's remuneration	132,000.00	132,000.00
Ban charges	2,598.00	1,324.00
Printing and stationery	13,190.00	930.00
Vehicle running expenses	11,100.00	12,500.00
Entertainment expenses	2,648.00	3,391.00
Telephone expenses	12,798.00	12,476.00
Miscellaneous expenditure	11,503.00	12,066.00
Rent	9,600.00	27,600.00
Legal expenses		82,382.00
Travelling Expenses	17,050.00	3,350.00
Listing and Processing Fee		93,248.00
Auditor Remuneration	12,500.00	12,500.00
Pooja Expenses	1,450.00	
Donations	501.00	
Meeting Expenses	9,867.00	
Total	236,805.00	393,767.00

Excess/short provision relating earlier year tax

in rupees

Particulars	31st March 2017	31st March 2016
Income Tax	3,970.00	
Total	3,970.00	

Note No. 5(a) Other current liabilities : Expenses payable

in rupees

Particulars	31st March 2017	As at 31st March 2016
National Enterprise	23,209.00	11,106.00
Audit fee	12,500.00	7,500.00
Director remuneration		22,700.00
Salary		11,000.00
Total	35,709.00	52,306.00

3 Name

Address

.....

E-Mail I.D.

Signature

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on **Friday, 29th September, 2017 at 04.00 P.M.** at **114, Mall Road, GTB Nagar, Delhi- 110009** and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolution	For	Against
1.	To receive, consider and adopt the Audited Financial Statement as at 31 st March 2017, of the Company for the year ended 31 st March 2017 and the Reports of the Directors' and Auditors' thereon.		
2.	To appoint a Director in place of Mr. Davinder Singh, (DIN: 02030197) who retires by rotation and being eligible, offers himself for re-appointment		
3.	Ratification of M/s Ravi Chopra & Associates , as Statutory Auditors of the Company.		
4.	Appointment of Ms. Mithlesh as Independent Director in the Company.		

Signed this _____ day of _____ 2017.

Affix Revenue
Stamp of Rs. 1/-

Signature of Shareholder

Signature of Proxy holder(s)

Notes:

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

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

HINDUSTAN AUTO FINANCE LIMITED

Regd. Off: No-114, Mall Road, GTB Nagar, Delhi- 110009,
Corporate Off: 184, Abulane Meerut Cantt. Meerut-250001, Ph-0121-2660331
Email: hindaf1980@gmail.com, Website: www.hindaf.com
CIN-L65910DL1980PLC010617

Form No. MGT-12

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

BALLOT PAPER

37th Annual General Meeting of the members of Hindustan Auto Finance Limited to be held on Friday, September 29th 2017 at 04:00 P.M. at Registered office of the company situated at 114, Mall Road, GTB Nagar, Delhi- 110009:-

Name of First Named Shareholder
(In Block Letters)
Postal Address

Folio No./DP ID & Client ID

No. of Shares held

Class of Shares

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

S. No.	Brief of Resolutions	In favor of Resolutions	Against the Resolutions
1.	To receive, consider and adopt the Audited Financial Statement as at 31 st March 2017, of the Company for the year ended 31 st March 2017 and the Reports of the Directors' and Auditors' thereon.		
2.	To appoint a Director in place of Ms. Neera Sapra, (DIN: 00241941) who retires by rotation and being eligible, offers himself for re-appointment		
3.	Ratification of M/s Ravi Chopra & Associates, as statutory auditors of the Company.		
4.	Appointment of Ms. Mithlesh as Independent Director		

Date:

Signature of Shareholder

Place:

* Please tick in the appropriate column

HINDUSTAN AUTO FINANCE LIMITED

Regd. Off: No-114, Mall Road, GTB Nagar, Delhi- 110009,
Corporate Off: 184, Abulane Meerut Cantt. Meerut-250001, Ph-0121-2660331
Email: hindaf1980@gmail.com, Website: www.hindaf.com
CIN-L65910DL1980PLC010617

ATTENDANCE SLIP

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

37th Annual General Meeting held on Friday, September 29th, 2017 at 04:00 PM

Name of the Member
(In Block Letters)

Folio No./DP ID & Client ID

No. of Shares held

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

I, hereby certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 37th Annual General Meeting of the Company on Friday the 29th day of September, 2017 at 04:00 P.M at 114, Mall Road, GTB Nagar, Delhi- 110009.

Member’s /Proxy’s Signature

Note:

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

HINDUSTAN AUTO FINANCE LIMITED

Regd. Off: No-114, Mall Road, GTB Nagar, Delhi- 110009,
Corporate Off: 184, Abulane Meerut Cantt. Meerut-250001, Ph-0121-2660331
Email: hindaf1980@gmail.com, Website: www.hindaf.com
CIN-L65910DL1980PLC010617

GREEN INITIATIVE IN CORPORATE GOVERNANCE

E-COMMUNICATION REGISTRATION FORM

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

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

Name of 1st Registered Holder :

Name(s) of Joint Holder(s) :
.....

Registered Address :
.....

Email ID (to be registered) :

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

Signature:- _____
(First Holder)

Date: _____

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

Route Map

