

BOARD OF DIRECTORS

| | |
|-----------------------|-------------------|
| Mr. Man Singh Tosaria | Chairman |
| Mr. Subhash Sapra | Managing Director |
| Mrs. Neera Sapra | Director |
| Mr. Mukhtar Singh | Director |

AUDITORS

RAVI CHOPRA & ASSOCIATES,
Chartered Accountants
9/54, (Basement), Vikram Vihar, Lajpat Nagar-IV, New Delhi- 110002.

REGISTERED OFFICE

Senior Tower 159/1, Gautam Nagar, New Delhi, Delhi-110019.

REGISTRAR AND TRANSFER AGENT

Beetal Financial & Computer Services Pvt. Ltd,
Beetal House, 3rd floor, 99, Madangir, BH Local Shopping Centre,
Near Dada Harsukdas Mandir, New Delhi, Delhi-110062(India).

Listed at:

Delhi Stock Exchange Limited;
Jaipur Stock Exchange Limited;
Uttar Pradesh Stock Exchange Limited.

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NOTICE

Notice is hereby given that the Annual General Meeting of the Members of **HINDUSTAN AUTO FINANCE LIMITED** is scheduled to be held on Saturday, 13th day of September, 2014 at No. 18, Basement, NRI Complex, Greater Kailash, Part-IV, Delhi-110019 at 3:00 P.M. to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Profit and Loss Account for the period ended on that date together with Auditors' and Directors' Report thereon.
2. To consider and to appoint a Director in place of Mr. Subhash Sapra who retires by rotation and being eligible, offers herself for re-appointment.
3. To consider and appoint Auditors M/S. RAVI CHOPRA & ASSOCIATES, CHARTERED ACCOUNTANTS, New Delhi who retire at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment and will hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of next AGM of the Company and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"Resolved that pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made there under read with schedule IV to the said Act, consent of the company be and is hereby accorded to re-appoint Mr. Mukhtar Singh as a Non-Executive Director of the Company to hold office from 13th September, 2014 to 12th September, 2019, not liable to retire by rotation."

For and on behalf of the Board of Directors

Date: 12.08.2014
Place: New Delhi

Sd/-
Man Singh Tosaria
Chairman

NOTES:

1. The relevant Explanatory Statement and reasons in respect of proposed Resolutions pursuant to Section 102 of the Companies Act, 2013 are annexed hereto.
2. **EVERY MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY.**
3. **PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED, STAMPED (IF APPLICABLE) AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE ANNUAL GENERAL MEETING.**
4. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. Members desirous of obtaining any information as regards accounts of the Company are requested to write to the Company at least one week before the Meeting, so that the information required will be made available at the Annual General Meeting.
6. Documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during normal business hours (10:00 AM to 06:00 PM) on all working days except Saturdays and Sundays (including Public Holidays) up to the date of the Annual General Meeting.
7. The Register of Member and Share Transfer Books of the company will remain closed from 11.09.2014 to 13.09.2014 (both days inclusive) for the purpose of Annual Closing and AGM. The cut off date (record date) for the purpose of AGM is on 11th of August, 2014
8. Members holding Shares in physical form are requested to immediately notify change in their address, if any, to the Registrar and Transfer Agent of the Company, viz., Beetal Financial & Computer Services Pvt. Ltd, Beetal House, 3rd floor, 99, Madangir, BH Local Shopping Centre, Near Dada Harsukdas Mandir, New Delhi, Delhi-110062 (India) quoting their Folio Numbers(s).
9. Physical copies of the Notice and Annual Report for 2014 are being sent to all the members in the permitted mode alongwith Attendance Slip and Proxy Form interalia indicating the process of E-voting. Electronic copy of the Notice and Annual Report for 2014 is also being sent to all the members who's Email IDs are registered with the Company/ Depository Participants(s) for communication purposes. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode.
10. Members/ Proxies are requested to bring the Attendance Slip(s) duly filled in.
11. For any investor-related queries, communication may be sent by mail to the Registrar and Transfer Agent of the Company, viz., Beetal Financial & Computer Services Pvt. Ltd, Beetal House, 3rd floor, 99, Madangir, BH Local Shopping Centre, Near Dada Harsukdas Mandir, New Delhi, Delhi-110062 (India)
12. Pursuant to the requirements of Corporate Governance under Clause 49 of Listing Agreement entered into with the Stock Exchange(s), the brief particulars of all the Directors proposed to be re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold Directorships and memberships/chairmanships of Board/ Committees, Shareholding and relationships between Directors inter-se, are provided in the Directors' Report forming part of the Annual Report. Their details are also provided in the explanatory statement to the notice annexed herewith.
13. Members may also note that the Notice of Annual General Meeting and the Annual Report for 2014 will also be available on the Company's website www.hindaf.com for their download. For any communication, the Shareholders may also send requests to the Company's designated email id: hindaf1980@gmail.com.

14. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
15. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting.
16. In compliance with Section 108 of the Companies Act, 2013 and relevant rules thereunder, the Company is also required to conduct the voting process electronically. The business to be transacted at the AGM may be transacted through electronic voting system and the Company is providing the facility for voting by electronic means.
17. As per Section 118 (10) of the Companies Act, 2013 read with the Secretarial Standards for General Meeting issued by Institute of Company Secretaries of India **No gifts, gift coupons or cash in lieu of gifts shall be distributed to members at or in connection with the meeting.**

Process of e-voting:

The Company has signed an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the shareholders to cast their vote electronically.

In case of members receiving e-mail:

- a) Log on to the e-voting website www.evotingindia.com.
- b) Click on "Shareholders" tab to cast your votes.
- c) Now, Select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- d) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- e) Next enter the Image Verification as displayed and click on Login.
- f) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- g) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|--|
| PAN* | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| DOB# | Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details# | Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the Depository or Company please enter the member id/ folio number in the Dividend Bank details field. |

- h) After entering these details appropriately, click on "SUBMIT" tab.
- i) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- j) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- k) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- l) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same option "YES/ NO" for voting. Select the option YES or NO as desired. The Option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- m) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolutions details.
- n) After selecting the resolution you have decided to vote on, click on "SUBMIT". A Confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- o) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- p) You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
- q) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as promoted by the system.
 - Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- A) Please follow all steps from sl. No. a) to sl. No. q) above, to cast vote.
- B) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board of Directors
Sd/-
(Man Singh Tosaria)
Chairman

Date : 12.08.2014
Place : New Delhi

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 4

In terms of Section 149 (10), (11), (13) and Section 152 (6), (7) of Companies Act, 2013 read with schedule IV of the said Act, an Independent Director shall hold office for not more than two consecutive terms of five years and the tenure of an independent director, on the date of commencement of this act, shall not be counted as a term under above mentioned sub sections. Furthermore the provisions relating to retirement by rotation shall not be applicable to Independent Directors.

So to comply with relevant provisions of Companies Act, 2013, all Independent Directors need to be re-appointed on a non-rotational basis and up to five years at a time.

In the opinion of the Board, Independent Director of the Company fulfills the conditions for their appointment as an Independent Director as specified in the Act and the Listing Agreement. The Board also opined that they all possess appropriate skill, experience and knowledge as required to occupy the position of an Independent Director.

The Board has also received declaration from the Independent Directors that they meet the Criteria of Independence as prescribed under section 149(6) read with Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Board recommends the re-appointment of both independent directors from 13th day of September, 2014 to 12th of September, 2019.

NOTICE OF INTEREST

None of the Executive Directors/Key Managerial Personnel of the Company / their relatives are in any way concerned or interested in the said resolution. All independent directors are interested in their respective resolutions.

By Order of the Board of Directors

Date : 12.08.2014
Place : New Delhi

Sd/-
(Man Singh Tosaria)
Chairman

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|--------------------------|
| DIRECTOR'S REPORT |
|--------------------------|

The Members,

The Board of Directors of HINDUSTAN AUTO FINANCE LIMITED has the pleasure in presenting the Directors' Report with Audited Annual Accounts for the year ended on 31st March, 2014.

FINANCIAL HIGHLIGHTS

| PARTICULARS | Figures In(Rs.) | |
|---|-----------------|-----------|
| | 2013-2014 | 2012-2013 |
| Total Income | 12,33,438 | 20,78,157 |
| Total Expenditure | 702,130 | 14,99,157 |
| Profits/(Loss) before exceptional items and Tax | 531,308 | 5,79,000 |
| exceptional items | 20 | 78,667 |
| Profits/(Loss) before Tax | 531,328 | 6,57,667 |
| Tax Provision | NIL | NIL |
| Net Profits/(Loss) | 531,328 | 6,57,667 |

REVIEW OF OPERATIONS

The Company has gained some profits during the year. Company is now optimistic towards its growth and smooth functioning of the Company. Growth of the Company is expected in future.

DIVIDEND

In view of insufficient profit in Business activities during the year under consideration, Board of Directors has not recommended the payment of any dividend for the year.

MATERIAL CHANGE

There was no material change affecting the financial position of the Company between the date of balance sheet and the date of this report.

DIRECTORS

As per provisions of the Companies Act, 2013, Mr. Mukhtar Singh, Independent Directors, are proposed to be reappointed at the ensuing AGM for a term of five years.

Mr. Subhash Sapra, Executive Director, retires by rotation at the ensuing AGM and being eligible offers himself for re-appointment.

None of the Directors are disqualified under section 164 (2) of the Companies Act, 2013.

AUDITORS

M/S. Ravi Chopra & Associates, CHARTERED ACCOUNTANTS, New Delhi, retire at the ensuing Annual General Meeting of the company and are eligible for reappointment.

COMMENT ON AUDITOR S REPORT

Auditor's Report and Notes to the accounts on the annual account of the Company for the year ended 31st March, 2014 are self explanatory and do not require any further comment.

PARTICULARS OF THE EMPLOYEES AS REQUIRED U/S 217(2A)

The Company has no employees whose particulars are required to be furnished under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended in 2011.

COMPLIANCE CERTIFICATE

The Company has obtained the Compliance Certificate from Company Secretary in Practice, as required under Section 383A of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under section 217(1) (e) of the Companies Act, 1956 read with the Companies' (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are as follows:

I. CONSERVATION OF ENERGY

There is no manufacturing operation, at present, in the Company. However, Your Company has installed all energy saving devices in order to save energy to the maximum extent possible at its office.

II. TECHNOLOGY ABSORPTION:

The Company has not entered into any contract involving any technical know-how during the Financial Year, since there was no Manufacturing operation in the Company.

III. FOREIGN EXCHANGE EARNING AND OUTGOING

1. Foreign Exchange Earning : NIL
2. Foreign Exchange Outflow: NIL

CORPORATE GOVERNANCE

Your Company has complied with the mandatory provisions of clause 49, relating to Corporate Governance, of the Listing Agreement with the Stock Exchanges. A comprehensive report on Corporate Governance forming part of the Directors' Report and the certificate from statutory auditors certifying the compliance of conditions on Corporate Governance is attached with this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement of section 217 (2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement it is hereby confirmed:

1. That in the preparation of the accounts for the Financial Year ended on 31st March, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the Financial Year and of profit or loss of the Company for the year under review;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the accounts for the Financial Year ended on 31st March, 2014 on a going concern basis.

ACKNOWLEDGEMENT

The Board of Directors wish to place on record their sincere appreciation for wholehearted contribution and co-operation extended by the Bankers, customers, employees, Shareholders, Government, Semi Government Authorities etc. during the Financial Year ending on 31.03.2014 to our Company.

For and on behalf of the Board of Directors

Date: 12.08.2014
Place : New Delhi

Sd/-
Man Singh Tosaria
Chairman

COMPLIANCE CERTIFICATE

CIN : L65910DL1980PLC010617
 Authorized Capital : Rs. 60,000,000
 Paid up Capital : Rs. 35,028,000

To,
 The Members,
 M/s HINDUSTAN AUTO FINANCE LIMITED,
 Senior Tower 159/1,
 Gautam Nagar,
 New Delhi - 110049

We have examined the registers, records, books and papers of **Hindustan Auto Finance Limited** maintained under the Companies Act, 1956 and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March, 2014. In our opinion and to the best of our information and according to the examination carried out by us and the explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained registers as stated in **Annexure A** to this Certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in **Annexure B** to this certificate with the Registrar of Companies/Regional Director/Central Government/CLB or other authorities as required under the Act and the rules made there under.
3. The Company is a Public Limited Company
4. The Board of Directors duly met Five (5) times on 07/05/2013, 29/07/2013, 02/09/2013, 28/10/2013 and 23/01/2014 in respect of which proper notices were given and the proceedings were properly recorded and signed in the minutes book maintained for the purpose.
5. The Company has closed its Register of Members and Register of Share Transfer from 29th September, 2013 to 30th September, 2013 (both days inclusive) for the purpose of Annual General Meeting held on September 30, 2013.
6. The Annual General Meeting for the financial year ended on 31st March, 2013 was held on 30th September, 2013 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in minutes book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year 2013-2014.
8. The company has not advanced any loans to its Directors or persons or firms or companies referred to under section 295 of the Act.
9. The company has not entered into any contract falling within the purview of section 297 of the Act during the financial year.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, hence the approval from the Board of Directors, Members or Central Government was not required under above section of the Act.
12. The company has not issued any duplicate Shares Certificate during the financial year.
13. The Company has:
 - (i) Delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. There was no allotment of securities during the financial year;
 - (ii) declared no dividend including interim dividend, hence no amount is required to be deposited in a separate bank a/c;
 - (iii) no liability to pay/post warrant for dividend to all the members within 30 days from the date of declaration as it has not declared any dividend that it has no unclaimed/unpaid dividend which are required to be transferred to Unpaid Dividend Account of the Company with its bank;
 - (iv) no amount is outstanding in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon, which have remained unclaimed or unpaid for a period of 7 years, hence nothing is required to be transferred to Investor Education and Protection Fund;
 - (v) Duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment of additional director & no appointment of alternate directors and directors to fill casual vacancy during the financial year. There was no resignation of directors during the financial year.
15. The company has not appointed any Managing Director/Whole-time Director/ Manager during the financial year.
16. The company has not appointed any Sole- Selling Agents during the financial year.
17. The Company has not obtained any approvals of the Central Government, CLB, Regional Director, ROC and/or such other authorities as may be prescribed under the various provisions of the Act during the Financial Year.
18. The Directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act, and the Rules made thereunder.
19. The company has not issued any shares, debentures or other securities during the financial year.
20. The company has not bought back shares during the financial year.
21. The Company has not issued any preference shares or debentures hence the redemption clause is not applicable.

22. That there were no such instances where the company was required to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited or accepted any deposits including any unsecured loan falling within the purview of section 58A of the Act, during the financial year.
24. The amount borrowed by the company from Directors, members, financial institutions, banks and others during the financial year ended on 31st March, 2014 is within the provisions of section 293(1) (d) of the Act.
25. The company has not made any loans or Advances or given guarantees or provided Securities to other bodies corporate during the financial year and consequently no entries have been made in the Register kept for the purpose.
26. The company has not altered the provisions of the Memorandum with respect to change in situation of the Company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the Memorandum with respect to Object of the Company during the year under scrutiny and complied with the provisions of the act.
28. The company has not altered the provisions of the Memorandum with respect to Name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to Authorized Share Capital of the company during the year under scrutiny.
30. The company has not altered its Articles of Association during the financial year.
31. There was no prosecution and penalty imposed on the company during the financial year ending 31.03.2014.
32. The company has not received any money as security from its employees during the financial year.
33. The Company has not constituted any Provident Fund under section 418 of the Act, hence the provisions of section 418 of the Act, are not applicable to the company.

FOR Anuj Gupta & Associates.
Sd/-
Anuj Gupta
Practising Company Secretary
(CPNo.13025)

Place : New Delhi
Date: 12.08.2014

ANNEXURE A

REGISTERS AS MAINTAINED BY THE COMPANY

(Attached with and forming part of our Compliance Certificate issued under Rule 3 of the Companies (Compliance Certificate) Rules, 2001 in the matter Hindustan Auto Finance Limited for the year ended on 31.03.2014).

1. Register of Members u/s 150 (1).
2. Minutes Book of Board meetings u/s 193 (1).
3. Minutes Book of General Meeting's u/s 193 (1) & (6).
4. Register of Directors u/s 303 (1) of the Act.
5. Register of Contracts, Firms and Companies in which Directors are interested u/s 301.
6. Register of Directors Shareholding u/s 307.
7. Register of Charge u/s 143.
8. Register of Transfer.

ANNEXURE-B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the Financial Year ending on 31st March 2014.

| Sl. No. | Form no./ Return | Filed Under Section | For | Date of Filing | Whether Filed Within Prescribed Time | If Delay in Filing Whether Requisite Additional Fee Paid Yes / No |
|---------|------------------|---------------------|---------------|----------------|--------------------------------------|---|
| 1. | Form 20B | 159 | Annual Return | 25/03/2014 | No | Yes |
| 2. | Form 20B | 159 | Annual Return | 25/03/2014 | No | Yes |

FOR Anuj Gupta & Associates
Sd/-
Anuj Gupta
Practicing Company Secretary
(CP No.13025)

Place: New Delhi
Date: 12.08.2014

REPORT ON CORPORATE GOVERNANCE

The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below for the Financial Year 2013-14.

1) Company's Philosophy on code of Corporate Governance:

Corporate Governance refer to a combination of regulations, procedures and voluntary practices that enable companies to maximize shareholder's value by attracting financial & human capital and efficient performance. As a responsible corporate citizen, it is the earnest endeavor of the Company to improve its focus on Corporate Governance by increasing accountability & transparency to shareholders, bankers, customers etc.

The Company has complied with the guidelines on Corporate Governance laid down by the Stock Exchanges to the extent of its applicability and its business operation.

2) Board of Directors:-

Composition

As on March 2014, the Company Board of Directors consist of three Directors. Two of them are Executive Directors and one is non executive director. Chairman is Non-Executive Independent director in compliance with clause 49 of Listing Agreement. There is no Nominee or Institutional Director(s) in the Company.

The Company is managed by 2 Executive Directors and 1 other non-executive Directors. The Board of Director approves and reviews strategy and oversees the actions and results of Management to ensure that the long term objectives of maximizing profit and enhancing shareholders value are achieved.

The composition and category of Directors as on 31.03.2014 is as follows:

| Name of the Directors/ Resignation | Position | Board Meetings held during the period of Directorship | Board Meetings attended | Whether attended last AGM | No. of Directorship held in other companies incorporated in India |
|------------------------------------|-------------------|---|-------------------------|---------------------------|---|
| Mr. Subhash Sapra | Managing Director | 5 | 5 | Yes | 2 |
| Mrs. Neera Sapra | Director | 5 | 5 | Yes | No |
| Mr. Man Singh Tosaria | Director | 5 | 5 | Yes | No |

None of the Director is a member of more than ten Board-level committees, or a Chairman of more than five such committees, as required under clause 49 of the Listing Agreement.

Meetings & Attendance:

During the last Financial Year, the Board of Directors of your Company met at five meetings on 07/05/2013, 29/07/2013, 02/09/2013, 28/10/2013 and 23/01/2014. Agenda papers along with explanatory notes were circulated to the Directors well in advance for each of these meetings. All relevant information, as per Clause 49 of the Listing Agreement was placed before the Board from time to time.

Remuneration of Directors: Sitting Fees, Salary, Perquisites and Commission.

| Name of the Director | Relationship with other Directors | Sitting Fees | Commission on profits | Salary/ Remuneration (Rs.) | Perquisites & Allowances | Total |
|-----------------------|-----------------------------------|--------------|-----------------------|----------------------------|--------------------------|-------------|
| Mr. Subhash Sapra | Husband of Mrs. Neera Sapra | NA | NA | Rs.18,000/- | NIL | Rs.18,000/- |
| Mrs. Neera Sapra | Wife of Mr. Subhash Sapra | NIL | NIL | NIL | NIL | NIL |
| Mr. Man Singh Tosaria | None | NIL | NIL | NIL | NIL | NIL |

3) Committees of the Board:

Audit Committee

The Audit Committee of the Board of Directors has been constituted in conformity with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Committee comprises of three directors, two are executive directors and one is non-executive director. Four Audit Committee Meetings were held during the year on 07/05/2013, 29/07/2013, 28/10/2013 and 23/01/2014 Composition of the Audit Committee is as follows:

| Name of the Director | Position held in Committee |
|-----------------------|----------------------------|
| Mr. Man Singh Tosaria | Chairman |
| Mrs. Neera Sapra | Member |
| Mr. Subhash Sapra | Member |

The Audit Committee of Hindustan Auto Finance Limited performs the following functions:

- Oversee the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Reviewing with Management the Annual Financial Statement before submission to the Board focusing primarily on.
- Any change in accounting policies and practices.
- Major accounting entries based on exercise of Judgment by Management.
- Qualification in draft audit report.
- Significant adjustments arising out of audit.
- The going concern assumption.
- Compliance with accounting standards.
- Any related party transaction i.e. transactions with promoters/Management their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.
- Reviewing the adequacy of internal control systems with Management, external and internal auditors.
- Reviewing the adequacy of internal audit function and reporting the matter of the Board.
- Reviewing the Company's financial risk Management policies.
- Reviewing the findings of internal investigation on suspected fraud or irregularities of failure of internal control systems.

Shareholders / Investors Grievance Committee:

The composition of Shareholders' / Investors' Grievance Committee is as follows:

| Name of the Director/ Sr. Executive | Position held in Committee |
|-------------------------------------|----------------------------|
| Mr. Man Singh Tosaria | Chairman |
| Mrs. Neera Sapra | Member |

| |
|---------------------------------------|
| REPORT ON CORPORATE GOVERNANCE |
|---------------------------------------|

Share transfer requests received by the Company or by its Registrar and Share Transfer Agents are registered within a period of 15 days from the receipt, if the transfer documents are complete in all respects.

Remuneration Committee

The Committee determines Company's Policy on specific remuneration package for executive directors. The Composition of the Committee is as follows:-

| Name of the Director | Position held in Committee |
|-----------------------|----------------------------|
| Mr. Man Singh Tosaria | Chairman |
| Mrs. Neera Sapra | Member |
| Mr. Subhash Sapra | Member |

4) Management discussion and analysis

The Annual Report contains matter on Management discussion and analysis.

5) Details of shareholders complaints received & attended during the year

| Subject | Complaints | | |
|-----------------------|------------|----------|---------|
| | Received | Attended | Pending |
| Investor's Complaints | NIL | NIL | NIL |
| TOTAL | NIL | NIL | NIL |

6) General Body Meetings

The last three Annual General Meeting of your Company were held at following schedules:

| Financial Year | Date | Time | Address |
|----------------|------------|------------|--|
| 2010-2011 | 30.09.2011 | 10:30 A.M | Senior Tower 159/1 Gautam Nagar, New Delhi, Delhi-110049 |
| 2011-2012 | 29.09.2012 | 10:00 A.M | Senior Tower 159/1 Gautam Nagar, New Delhi, Delhi-110049 |
| 2012-2013 | 30.09.2013 | 10:00 A.M. | Senior Tower 159/1 Gautam Nagar, New Delhi, Delhi-110049 |

7) Disclosures

- There are no materially significant related party transactions i.e. transactions material in nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. having potential conflict with the interest of the company at large.
- The Company has not been complying with the requirement of stock exchanges during the last year. There were no penalties or strictures imposed on the Company by Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets during the last three years.
- Presently, the Company does not have a Whistle Blower Policy. No Personnel of the Company has been denied access to the Audit Committee.
- The Company has complied with all the mandatory requirements of Clause 49. As regard the non-mandatory requirements, Company tries to implement them to the extent possible.

8) Means of Communication

The Annual Report which includes inter alias, the Director's Report, the Report of Board of Directors on corporate governance, management discussion and analysis report and the audited financial results are circulated to the member. Further in terms of the Listing Agreement, information on investor related issues (Record Dates/Book closures/price sensitive information) are communicated to the Stock Exchanges.

9) General Shareholders Information**Annual General Meeting**

Date and Time : 13th September, 2014 at 3.00 P.M.
 Venue : No. 18, Basement, NRI Complex, Greater Kailash, Part- IV, Delhi -110 019

Financial Calendar (tentative)

Financial Year : April 1 to March 31st of the following year.
 Results for the First Quarter : On or before 15th of August, 2014
 Results for the Second Quarter : On or before 15th November, 2014
 Results for the Third Quarter : On or before 15th February, 2015
 Annual Audited Results : End of May, 2015
Date of Book Closure : September 22, 2014 to September 23, 2014 (both days inclusive)
Dividend on equity shares : NIL, no dividend has been declared so far

Share Details:-

Listed at : DSE, JSE, & UPSE.
 Stock Code : 8574
 ISIN for Dematerialisation : INE806Q01018

Stock Market Data

Since there is No trading in Securities on the exchanges, where the shares of your company are listed, thence there is no Stock Market Share price Data.

Registrar and Share Transfer Agents:

Beetal Financial & Computer Services Pvt. Ltd,
 Beetal House, 3rd floor, 99, Madangir, B/h Local Shopping Centre, Near Dada Harsukdas Mandir, New Delhi-110062 (India)
 Ph.: 91-11-29961281-83, E-mail:beetal@beetalfinancial.com

DISTRIBUTION OF SHAREHOLDING

Distribution of shareholding as on 31.03.2014 is given below:

| Range in (No of shares) | Number of shareholders | % of total shareholders | No of shares held | % of Total Capital |
|-------------------------|------------------------|-------------------------|-------------------|--------------------|
| 1 - 5000 | 286 | 35.14 | 89,700 | 2.5608 |
| 5001 - 10000 | 228 | 28.01 | 2,01,700 | 5.7583 |
| 10001 - 20000 | 87 | 10.69 | 1,41,400 | 4.0368 |
| 20001 - 30000 | 57 | 7.00 | 1,51,100 | 4.3137 |
| 30001 - 40000 | 31 | 3.81 | 1,13,500 | 3.2403 |
| 40001 - 50000 | 25 | 3.07 | 1,22,000 | 3.4829 |
| 50001 - 100000 | 45 | 5.53 | 3,55,900 | 10.1604 |
| 100001 and above | 55 | 6.76 | 23,27,500 | 66.4468 |
| Total | 814 | 100% | 35,02,800 | 100.00% |

j) Shareholding Pattern According to categories of shareholders as at 31st March 2014.

| Category | | No.of Shares held | %of shareholding |
|------------|---|-------------------|------------------|
| (A) | Promoter and Promoter Group: | | |
| a. | Individuals/Hindu Undivided Family | 974600 | 27.82 |
| b. | Bodies Corporate | NIL | NIL |
| | Total Shareholding of Promoter and Promoter Group A = (A)(1)+ (A)(2) | 974600 | 27.82 |
| (B) | Public Shareholding | | |
| (1) | Institutions | | |
| a. | Mutual Funds/UTI | NIL | NIL |
| (2) | Non- Institutions | | |
| | Bodies Corporate | 248600 | 7.10 |
| a. | Individuals | | |
| | i). Individual Shareholders holding Nominal Share Capital upto Rs. 1 Lakh | 1235800 | 35.28 |
| | ii). Individual Shareholders holding Nominal Share Capital in excess of Rs. 1 Lakh | 816800 | 23.32 |
| | Any other(Non Resident Indian) | 227000 | 6.48 |
| | Total Public Shareholding B = (B)(1) (B)(2) | 2528200 | 72.18 |
| | TOTAL (A+B) | 3502800 | 100.00 |
| | Shares held by Custodians and against Depositories Receipts have been issued | - | - |
| | GRAND TOTAL (A+B+C) | 3502800 | |

CERTIFICATION BY CEO FOR THE FINANCIAL YEAR 2013-14

To
The Members
M/s Hindustan Auto Finance Limited.

I am responsible for the finance function certify that

- a) I have reviewed the financial statements and cash flow statement for the year ended 31.03.2014 and to the best of my knowledge and belief :
- i) These statements do not contain any material untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present are true and fair view of the company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of my knowledge and belief, no transactions entered into by the company during the year ended 31.03.2014 are fraudulent, applicable laws and regulations.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which I am aware, have been disclosed to the auditor and audit committee and steps have been taken to rectify these deficiencies.
- d)
- i). There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii) Significant change in accounting policies during the year have been disclosed in the notes to the financial statements; and
 - iii) I am not aware of any instance during the year of significant fraud with involvement there in of the management or any employee having a significant role in the company's internal control system over financial reporting.

Date: 12.08.2014
Place: New Delhi

Sd/-
Man Singh Tosaria
Chairman

COMPLIANCE WITH CODE OF CONDUCT

I, Man Singh Tosaria, Chairman of the Company hereby certify that all the directors and Senior Management Personnel have affirmed compliance of the code of the conduct of the company for the financial year ended March 31, 2014.

Date: 12.08.2014
Place: New Delhi

Sd/-
Man Singh Tosaria
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

FORWARD LOOKING STATEMENT

Certain statements in the Management Discussion & Analysis Report detailing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. These statements being based on certain assumptions and expectation of future event, actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting domestic demand supply conditions, finish goods prices, changes in Government Regulations and Tax regime etc. The Company assumes no responsibility to publically amend, modify or revise any forward looking statements on the basis of subsequent developments, information or events.

INDUSTRY STRUCTURE AND DEVELOPMENT**BUSINESS REVIEW**

The Company is in hire purchase business, which has lost its importance after the introduction of the liberal interest rates offered by the banking industry. The closest competitor is none but the banking industry itself. During the financial year ended on 31.03.2014 the company has earned a profit of Rs. 531,328. In line with the objective term growth, the Company is developing the strategic competency and enhancing its operational efficiencies.

OPPORTUNITIES

Your Company is considering to venture into the business of real estate development in Commercial as well as residential. For infrastructure creation your company will apply to get the approval of the central government and the members for the amendment in the main objects and change of name of the company.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate internal control procedures commensurate with the size and nature of the business. It is to ensure that all assets are safeguarded and protected against any loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly, to keep constant check on the cost structures and to prevent revenue leakages.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial statement has been prepared in accordance with the requirements of The Companies Act, 1956 and applicable accounting standards issue by the ICAI. The Details of the financial performance of the company are appearing in the Balance Sheet, Profit & Loss Accounts and others financial statements forming part of this annual report. For financial highlights please refer heading 'FINANCIAL STATEMENT'.

HUMAN RESOURCES 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 potential of its employees attracting and retaining the best manpower available by providing high degree of motivation, Training and structured compensation was the main thrust of the Human Resources Department this degree of motivation, training and structured compensation was the main thrust of the Human Resources Department this year.

Your Company belief in trust, transparency & teamwork to improve employee's productivity at all levels.

For and on behalf of the Board of Directors

Sd/-

Man Singh Tosaria

Chairman

Date : 08.08.2014

Place : New Delhi

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Hindustan Auto Finance Ltd,

We have examined the compliance of conditions of Corporate Governance by Hindustan Auto Finance Ltd. for the year ended on 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of 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

M.No. 083390

FRN 007335N

Place : New Delhi

Dated : 29 May 2014

To the Members of

HINDUSTAN AUTO FINANCE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of HINDUSTAN AUTO FINANCE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Balance Sheet and Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For RAVI CHOPRA & ASSOCIATES
Chartered Accountants

Place : New Delhi
Dated : 29 May, 2014

Sd/-
RAVI CHOPRA
Partner
M.No. 083390
FRN 007335N

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

We report that:

1. (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) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) Since the company does not carry any inventories during the year under review therefore provisions of para (2) (a), (b) & (c) of the order are not applicable.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
(e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
9. (a) The Company has not deposited a sum of Rs. 86,291/- being the income tax demand in respect of A.Y. 2001-2002, which has neither been disputed by the company and also remained unpaid for more than six months as on 31st of March, 2014.
(b) The following disputed statutory dues aggregating to Rs. 1,54,388/- have not been deposited, however, the appeal filed has been disposed off the by Id. CIT (A), Meerut and the appeal effect towards the same is yet to be received from the Income Tax department:-

| S. No. | Name of the Statute | Nature of Dues | Forum where dispute is pending | Amount in Rs. |
|--------|----------------------|----------------|---|---------------|
| 1. | Income Tax Act, 1961 | Income Tax | Commissioner of Income Tax (Appeal), Meerut | 1,54,388.00 |

10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. 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 or debenture holders, as applicable to the company.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order is not applicable to the Company.
14. According to information and explanations given to us, the Company is not dealing or trading in Shares, securities, debentures and other investments. According the provisions of clause 4(xiv) of the Order is not applicable to the company.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the, management, the company has not taken any term loan during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Companies Act.
19. The Company has not issued any secured outstanding debentures during the period.
20. The Company has not raised any money by public issue during the year.
21. According to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For RAVI CHOPRA & ASSOCIATES
Chartered Accountants

Sd/-

RAVI CHOPRA
Partner
M.No. 083390
FRN 007335N

Place : New Delhi
Dated : 29 May 2014

(All amounts are in Rupees)

| Particulars | Notes | 2013-2014 | 2012-2013 |
|------------------------------------|-------|-------------------|-------------------|
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholder's Funds | | | |
| (a) Share Capital | 2.1 | 35,028,000 | 35,028,000 |
| (b) Reserves and Surplus | 2.2 | (10,273,035) | (10,804,363) |
| (2) Non-Current Liabilities | | | |
| (a) Other long term liability | 2.3 | 1,249,717 | 1,454,338 |
| (3) Current Liabilities | | | |
| (a) Trade payables | 2.4 | 5,040 | 5,040 |
| (b) Other current liabilities | 2.5 | 83,788 | 470,106 |
| (c) Short-term provisions | - | - | - |
| Total | | 26,093,510 | 26,153,121 |
| II.Assets | | | |
| (1) Non-current assets | | | |
| (a) Fixed assets | | | |
| (i) Tangible assets | 2.6 | 119,970 | 149,123 |
| (b) Deferred tax assets (net) | | - | - |
| (c) Long term loans and advances | 2.7 | - | 207,000 |
| (d) Non current investment | 2.8 | - | - |
| (e) Other non current assets | 2.9 | 7,321,445 | 8,538,503 |
| (2) Current assets | | | |
| (a) Trade receivables | 2.10 | 17,858,059 | 16,539,563 |
| (b) Cash and Bank Balances | 2.11 | 487,726 | 484,072 |
| (c) Other current Assets | 2.12 | 306,310 | 234,860 |
| Total | | 26,093,510 | 26,153,121 |

Significant Accounting Policy And Notes On Accounts
Forming Part Of Balance Sheet

1 to 2

As Per our Report Of Even Date
For RAVI CHOPRA & ASSOCIATES
Chartered Accountants

For HINDUSTAN AUTO FINANCE LIMITED

Sd/-
New Delhi RAVI CHOPRA
29-05-2014 PARTNER
M.No. 083390
FRN 007335N

Sd/-
Subhash Sapra
Managing Director

Sd/-
Neera Sapra
Director

(All amounts are in Rupees)

| Particulars | Notes | 2013-2014 | 2012-2013 |
|---|------------|------------------|------------------|
| I. EQUITY AND LIABILITIES | | | |
| I. Revenue from operations | 2.13 | 1,233,438 | 2,078,157 |
| II. Total Revenue | | <u>1,233,438</u> | <u>2,078,157</u> |
| III. Expenses: | | | |
| Purchase of Stock-in-Trade | | - | - |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | | - | - |
| Employee benefit expense | 2.14 | 198,000 | 720,000 |
| Financial costs | 2.15 | 9,670 | 19,022 |
| Depreciation and amortization expense | 2.6 | 29,153 | 52,279 |
| Other expenses | 2.16 | 465,307 | 707,856 |
| Total Expenses | | <u>702,130</u> | <u>1,499,157</u> |
| IV. Profit before exceptional and extraordinary items and tax | (II - III) | 531,308 | 579,000 |
| V. Exceptional Items | 2.17 | 20 | 78,667 |
| VI. Profit before extraordinary items and tax | (V - VI) | 531,328 | 657,667 |
| VII. Extraordinary Items | | - | - |
| VIII. Profit before tax | (VI - VII) | <u>531,328</u> | <u>657,667</u> |
| IX. Tax expense: | | | |
| (1) Current tax | 2.18 | - | - |
| (2) Deferred tax | | - | - |
| (3) Income tax adjustment | | - | - |
| X. Profit(Loss) from the period from continuing operations | (VIII-IX) | <u>531,328</u> | <u>657,667</u> |
| XI. Profit/(Loss) for the period | | <u>531,328</u> | <u>657,667</u> |
| XII. Earning per equity share: | | | |
| (1) Basic | 2.19 | 0.15 | 0.19 |

Significant Accounting Policy And Notes On Accounts
Forming Part Of Balance Sheet

1 to 2

As Per our Report Of Even Date
For RAVI CHOPRA & ASSOCIATES
Chartered Accountants

For HINDUSTAN AUTO FINANCE LIMITED

Sd/-
New Delhi RAVI CHOPRA
29-05-2014 PARTNER
M.No. 083390
FRN 007335N

Sd/-
Subhash Sapra
Managing Director

Sd/-
Neera Sapra
Director

| Particulars | As at 31 March, 2014 | As at 31 March, 2013 |
|---|----------------------|----------------------|
| NOTE NO.-2.5 | | |
| OTHER CURRENT LIABILITIES | | |
| Cheque issued not presented | 78,788 | 375,006 |
| Expense Payable | 5,000 | 95,100 |
| | <u>83,788</u> | <u>470,106</u> |
| NOTE NO.-2.7 | | |
| LONG TERM LOANS AND ADVANCES | | |
| CAPITAL ADVANCES | | |
| Advance paid against property | - | 207,000 |
| | <u>-</u> | <u>207,000</u> |
| NOTE NO.-2.8 | | |
| NON CURRENT INVESTMENT | - | - |
| NOTE NO.-2.9 | | |
| OTHER NON CURRENT ASSETS | | |
| Long-term receivable (Unsecured considered good) | 7,321,445 | 8,538,503 |
| | <u>7,321,445</u> | <u>8,538,503</u> |
| NOTE NO.-2.10 | | |
| TRADE RECEIVABLE | | |
| Unsecured considered good | | |
| Outstanding | | |
| More than Six months | 17,858,059 | 16,539,563 |
| Less than Six months | - | - |
| | <u>17,858,059</u> | <u>16,539,563</u> |
| NOTE NO.-2.11 | | |
| CASH AND BANK BALANCES | | |
| Cash in hand | 482,726 | 479,072 |
| Balance with scheduled banks | | |
| - in Current Accounts | 5,000 | 5,000 |
| | <u>487,726</u> | <u>484,072</u> |
| NOTE NO.-2.12 | | |
| OTHER CURRENT ASSETS | | |
| Other Advances and Deposits | 306,310 | 234,860 |
| | <u>306,310</u> | <u>234,860</u> |
| NOTE NO.-2.13 | | |
| REVENUE FROM OPERATIONS | | |
| Revenue from services | | |
| Hire Charges | 983,438 | 955,972 |
| Brokerage | 250,000 | - |
| Interest Received | - | 1,122,185 |
| | <u>1,233,438</u> | <u>2,078,157</u> |
| NOTE NO.-2.14 | | |
| EMPLOYEE BENEFIT EXPENSES | | |
| Salaries and other benefits | 180,000 | 180,000 |
| Director Remuneration | 18,000 | 540,000 |
| | <u>198,000</u> | <u>720,000</u> |
| NOTE NO.-2.15 | | |
| FINANCE COST | | |
| Bank charges | 2,670 | 7,742 |
| Interest paid | 7,000 | 11,280 |
| | <u>9,670</u> | <u>19,022</u> |

(All amounts are in Rupees)

| Particulars | As at 31 March, 2014 | As at 31 March, 2013 |
|--------------------------------------|----------------------|----------------------|
| NOTE NO.-2.16 | | |
| OTHER EXPENSES | | |
| Printing & Stationary | 11,540 | 5,070 |
| Vehicle Running & Maintenance | 44,800 | 4,573 |
| Entertainment Expenses | 10,162 | - |
| Postage, Telegram, Telephone & Telex | 21,359 | 4,317 |
| Charity & Donations | 250 | - |
| Miscellaneous Expenses | 64,787 | 13,890 |
| Rent | 9,600 | 29,100 |
| Staff Welfare | 10,586 | - |
| Legal & Professional Charges | 215,209 | 31,020 |
| Bad Debt Written Off | - | 600,000 |
| Travelling Expenses | 62,513 | - |
| Electricity & Water Charges | 4,501 | 14,886 |
| Auditor's remuneration | | |
| Audit Fees | 10,000 | 5,000 |
| | 465,307 | 707,856 |
| NOTE NO.-2.17 | | |
| EXCEPTIONAL ITEMS | | |
| Profit on Sale of Fixed Assets | - | 38,750 |
| Liabilities Written Back | - | 39,904 |
| Option Money Received | 20 | 13 |
| | 20 | 78,667 |
| NOTE NO.-2.18 | | |
| TAX EXPENSES | | |
| Current tax | - | - |
| Deferred tax | - | - |
| Income tax adjustment | - | - |
| | - | - |
| NOTE NO.-2.19 | | |
| EARNING PER SHARE | | |
| Earning on per share of Rs.10/- each | 0.15 | 0.19 |

SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2014

NOTE NO. 2.6**TANGIBLE ASSETS**

(All amounts are in Rupees)

| BLOCK OF ASSETS | NET BLOCK | | | DEPRECIATION | | | | NET BLOCK | | |
|-------------------------------|-----------------------|------------------------|------------|-----------------------|------------------|---------------|------------|------------------|------------------|------------------|
| | Cost as on 31-03-2013 | Additions/ Adjustments | Deductions | Cost as on 31-03-2014 | UP TO 31-03-2013 | For the year | Deductions | UP TO 31-03-2014 | As at 31-03-2014 | As at 31-03-2013 |
| OWN ASSETS | | | | | | | | | | |
| SAFE, FURNITURE & FIXTURE | 360,378 | - | - | 360,378 | 347,110 | 1,658 | - | 348,768 | 11,610 | 13,268 |
| MACHINERY & OFFICE EQUIPMENTS | 947,742 | - | - | 947,742 | 811,887 | 27,495 | - | 839,382 | 108,360 | 135,855 |
| Total | 1,308,120 | - | - | 1,308,120 | 1,158,997 | 29,153 | - | 1,188,150 | 119,970 | 149,123 |
| Previous Year | (1,680,362) | - | (372,242) | (1,308,120) | (1,442,710) | (52,279) | (335,992) | (1,158,997) | (149,123) | (237,652) |

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.

1. 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

- Additional Hire Charges / Lease Charges are in the nature of compensation charges and Penal Charges are on recognised basis.
- 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.
- 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 non-performing 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**

- Fixed assets are shown at historical cost less accumulated depreciation.
- Depreciation on fixed assets is provided on straight-line method at the rates prescribed under Schedule XIV to the Companies Act, 1956 on prorata basis.

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

- 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.
- 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.
- 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:-**1. CONTINGENT LIABILITIES:****CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBTS:**

| PERIOD | AMOUNT | LEVEL OF AUTHORITY | NATURE |
|-----------------------------|------------------|--------------------|--------|
| AY: 2001-2002Rs. 1,54,388/- | C.I.T (A)-Meerut | Income Tax | |

2. EARNING PER SHARE

| PARTICULARS | 2013-14 | 2012-13 |
|--|-----------|-----------|
| Earnings available for equity shareholders | 5,31,328 | 6,57,667 |
| Weighted average number of equity share | 35,02,800 | 35,02,800 |
| Earning per share | 0.15 | 0.19 |

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. 18,000(Dr.) PY: Rs. 5,40,000(Dr.) |
| Closing Balance of Transaction- | CY:Rs. NIL PY: Rs. 90,100(Cr.) |

4. PAYMENT TO AUDITORS

| PARTICULARS | 2013-14 | 2012-13 |
|-------------|---------|---------|
| Audit fees | 10,000 | 5,000 |

5. Previous year figures are regrouped and rearranged according to the requirement of schedule VI. Assets and liabilities are classified as current and non current 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 least equal to 12 months.

6. Other disclosure requirements of schedule VI

Details of services provided

| PARTICULARS | 2013-14 | 2012-13 |
|------------------|----------|-----------|
| Interest Receive | 0 | 11,22,185 |
| Brokerage | 2,50,000 | 0 |

7. Debtors and creditors are subject to confirmation

8. These notes are integral part of financial statement for financial year 2013-14

As Per our Report Of Even Date
For RAVI CHOPRA & ASSOCIATES
Chartered Accountants

For HINDUSTAN AUTO FINANCE LIMITED

Sd/-
New Delhi RAVI CHOPRA
29-05-2014 PARTNER
M.No. 083390
FRN 007335N

Sd/- Sd/-
Subhash Sapra Neera Sapra
Managing Director Director

ABSTRACT OF THE BALANCE SHEET AND COMPANY'S GENERAL BUSINESS PROFILE :

Registration Details

| | |
|--------------------|------------|
| Registration Code | 10617 |
| State Code | 55 |
| Balance Sheet Date | 31.03.2014 |

Capital Raised During the Year (AMT IN Rs.)

| | |
|-------------------|-----|
| Public Issue | NIL |
| Rights Issue | NIL |
| Bonus Issue | NIL |
| Private Placement | NIL |

Position of Mobilisation and Development of Funds (Amount in Rs '000')

| | |
|------------------------------|----------------|
| Total Equity and Liabilities | 26,093,510 |
| Total Assets | 26,093,510 |
| Equity and Liabilities | |
| Paid Up Capital | 35,028,000 |
| Reserve & Surplus | -10,273,035.00 |
| Non Current Liabilities | |
| Current Liabilities | 88,828 |
| Assets | 26,093,510 |
| Non Current Assets | 7,441,415 |
| Current Assets | 18,652,095 |

Performance of Company (Amount In Rs '000'')

| | |
|---|-----------|
| Turnover/Income | 1,233,438 |
| Total Expenditure | 702,130 |
| Profit/(Loss) before tax and Exceptional Item | 531,308 |
| Exceptional Item | 20 |
| Profit/(Loss) before tax | 531,328 |
| Tax Expense | 0 |
| Profit/(Loss) after tax | 531,328 |
| Earning per share | 0.15 |
| Dividend Rate | NIL |

As Per our Report Of Even Date
For RAVI CHOPRA & ASSOCIATES
Chartered Accountants

For HINDUSTAN AUTO FINANCE LIMITED

Sd/-
New Delhi RAVI CHOPRA
29-05-2014 PARTNER
M.No. 083390
FRN 007335N

Sd/- Sd/-
Subhash Sapra Neera Sapra
Managing Director Director

| |
|-------------------|
| PROXY FORM |
|-------------------|

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

Hindustan Auto Finance Limited
 (CIN : L65910DL1980PLC010617)
 Regd. Off: Senior Tower 159/1, Gautam Nagar, New Delhi, Delhi-110049 ,
 Email id: hindaf1980@gmail.com,

| |
|------------------------------|
| Name of the member (s):..... |
| Registered address:..... |
| E-mail Id: |
| Folio No/ Client Id:..... |
| DP ID:..... |

I/We being a member(s) of.....shares of Hindustan Auto Finance Ltd., hereby appoint

1. Name : E-mail Id:.....
 Address : Signature:.....
2. Name : E-mail Id:.....
 Address : Signature:.....
3. Name : E-mail Id:.....
 Address : Signature:.....

as my/our proxy to attend and vote(on a poll) for me/us on my/our behalf at the Annual General Meeting of the company to be held on Saturday, the 13th day of September, 2014 at 03:00 P.M at No. 18, Basement, NRI Complex, Greater Kailash, Part-IV, Delhi-110019 and at any adjournment thereof in respect of such resolutions as are indicated below:

| No. | Resolution | For | Against |
|-----|---|-----|---------|
| 1. | Adoption of Annual Accounts and Reports thereon for the financial year ended March 31, 2014 | | |
| 2. | Re-appointment of Mr.Subhash Sapra who retires by rotation | | |
| 3. | Appointment of Auditors and fixing their remuneration | | |
| 4. | Appointment of Mr. Mukhtar Singh as Non-Executive Independent Director, not liable to retire by rotation. | | |

Signed this..... day of _____ 2014.

| |
|--|
| Affix Revenue Stamp of Rs.1/- |
|--|

.....
Signature of shareholder

.....
Signature of Proxy holder(s)

NOTES:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company not less than 48 hours before commencement of the meeting.
2. A proxy need not be a member of the Company. Pursuant to the provisions of section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as proxy, who shall not act as proxy, who shall not act as proxy for any other member.

| |
|------------------------|
| ATTENDANCE SLIP |
|------------------------|

Hindustan Auto Finance Limited
 (CIN : L65910DL1980PLC010617)
 Regd. Off: Senior Tower 159/1, Gautam Nagar, New Delhi, Delhi-110049 ,
 Email id: hindaf1980@gmail.com,

I/we hereby confirm and record my/our presence at the Annual General Meeting of Hindustan Auto Finance Limited to be held on Saturday, September 13, 2014 at 3:00 P.M. at No. 18, Basement, NRI Complex, Greater Kailash, Part-IV, Delhi-110019.

| | | |
|--|---------------|-------------------|
| Folio No.: | DP ID* | Client ID* |
| Full name and address of the Shareholder/Proxy Holder (in block letters) | | |
| Joint Holder 1 | | |
| Joint Holder 2 | | |
| No. of Shares Held | | |
| Signature of Shareholder/Proxy | | |

NOTES:

Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the premise.

*Applicable for shareholders holding shares in electronic form.

E-VOTING PARTICULARS

| E-Voting Even Number | E-Voting Even Number | PASSWORD |
|-----------------------------|--|--|
| 140811010 | For shareholders holding shares in Demat Form:- a) For NSDL :-8 Character DP ID followed by 8 Digits Client ID b) For CDSL:-16 digits beneficiary ID c) For shareholders holding shares in Physical Form: Folio Number Registered with the company Please refer e-voting instructions given in the notice | Please refer e-voting instructions given in the notice |

Note:

Please read instructions given in the Notice of Annual General Meeting of the Company before casting your vote through e-voting.

If undelivered, please return to:

Hindustan Auto Finance Limited
(CIN : L65910DL1980PLC010617)
Regd. Off: Senior Tower, 159/1, Gautam Nagar,
New Delhi, Delhi -110049

HINDUSTAN AUTO FINANCE LIMITED

Annual Report 2013-2014