



NOTICE

NOTICE is hereby given to the Members of John Deere Financial India Private Limited that Eleventh Annual General Meeting of the Company will be held on Tuesday 16th May, 2023 at 5.30 p.m. at Tower XIV, Cybercity Magarpatta City, Hadapsar, Pune 411 013, to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Financial Statements

To consider and adopt Audited Balance sheet as at March 31, 2023, Profit and loss account ending on that date along with the Cash Flow Statement as at March 31, 2023 and the explanatory notes annexed to, or forming part of any document referred above and report of the Directors and Auditors thereon;

2. Declaration of Dividend

To declare a final dividend at the rate of 3 % i.e. 30 paise per equity share for the Financial Year 2022-23.

SPECIAL BUSINESS:

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

“**RESOLVED THAT** pursuant to Section 42, 71 and any other applicable provisions of the Companies Act, 2013 (“**the Act**”) read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, and in accordance with the provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time; to the extent applicable, and the notifications, circulars and clarifications issued by Reserve Bank of India as applicable to the Non-Banking Financial Companies from time to time, and such other laws and regulations, and listing agreements to be entered into with the stock exchange where the non-convertible debentures are proposed to be listed and subject to such approvals, consents, sanctions, permissions as may be necessary from the Securities and Exchange Board of India, stock exchanges, the Reserve Bank of India and all other appropriate statutory and regulatory authorities and subject to such conditions and modifications as may be prescribed by the respective statutory and/ or regulatory authorities while granting such approvals, consents, sanctions and permissions, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “**the Board**” which term shall include any committee thereof), to make offer(s), invitation(s) to create, offer, issue and allot, from time to time on private placement basis listed or unlisted, unsecured, redeemable, non-convertible debentures (“**NCDs**”) in one or more tranches or issuances, an amount not exceeding INR 3000 Crore (Rupees Three Thousand Crore only) during the period of one year from the date of passing of this resolution to qualified institutional buyers, foreign portfolio investors, banks, financial institutions, non-banking financial companies, alternative investment funds, mutual funds,



JOHN DEERE
FINANCIAL

John Deere Financial India Private Limited
CIN – U65923PN2011PTC141149
Level 2, Tower XV, Cybercity, Magarpatta City,
Hadapsar, Pune- 411 013

Board No. – 020-6703 2000 / 020 – 6703 2001
Fax No. – 020 – 6703 2004

provident and gratuity funds, corporates and such other entities/ persons eligible to subscribe to the NCDs on such terms and conditions including the price, rate of interest, premium/discount, tenure, etc.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise disclosure documents to be filed with the relevant stock exchange on which the NCDs are proposed to be listed as per the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer / issue, allotment, utilisation of the proceeds and redemption of the NCDs and to finalise and execute such documents and writings as may be necessary or desirable as the Board may deem fit without being required to seek any further consent or approval of its members or otherwise, to the end and intent that its members shall be deemed to have given their approval thereto expressly by the authority of this resolution and to delegate all or any of the powers herein conferred to any of directors or officers of the Company to give effect to the aforesaid resolution.”

For and on behalf of Board of Directors
John Deere Financial India Private Limited

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Date: 2023.04.25 12:45:48 +05'30'

Ankush Lawate

Company Secretary

Email ID: lawateankush@johndeere.com

Date : April 25, 2023

Place : Pune



ANNEXURE TO NOTICE

Explanatory Statements under Section 102 (1) of the Companies Act, 2013

ITEM NO. 04

For the purpose of on-lending, to grow the asset book, for refinancing existing debt and other general corporate purposes of the Company it is proposed to raise fresh funds by issue of securities namely, listed or unlisted, unsecured, redeemable Non-Convertible Debentures (“NCDs”) on private placement basis.

Pursuant to Section 42, 71 and any other applicable provisions of the Companies Act, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe securities has been previously approved by the shareholders of the company by a Special Resolution for each of the offers or invitations. In case of offer or invitation for non-convertible debentures, it shall be sufficient if the company passes a previous special resolution only once in a year for all the offers or invitation for such debentures during the year.

The NCDs are proposed to be issued at face value as may be permissible under regulations, notifications, and circulars issued by the Reserve Bank of India’s (RBI) from time to time and acceptable to the subscribers of the NCDs. The NCDs are not proposed to be issued at premium.

The information required to be disclosed pursuant to Section 102 of the Companies Act, 2013 and under Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities Rules), 2014, in respect of the aforesaid special business is as follows:

- a) **Particulars of the offer including date of passing of Board resolution:** The offer is made for subscribing to listed or unlisted, unsecured, redeemable non-convertible debentures up to Rs. 3,000,00,00,000 (Rupees Three Thousand crores), in one or more issuances, as per the terms set out in the relevant information memorandum. The Board of Directors (“**Board**”) have approved the issuance of the NCDs in one or more tranches or issuances, at the meeting of Board held on 17th November, 2022.
- b) **The objects of the issue:** The Company shall utilize the proceeds of the NCDs for the purpose of on-lending, to grow the asset book, for refinancing existing debt and other general corporate purposes.
- c) **The total number of shares or other securities to be issued:** The Board proposes to issue and allot, listed or unlisted, unsecured, redeemable NCDs up to Rs. 3,000,00,00,000 (Rupees Three Thousand crores), in one or more issuances.
- d) **Price at which the allotment is proposed (including premium if any):**

Price: The issuances will be at par.

Premium: Not applicable



- e) **Basis on which the price has been arrived at along with report of the registered valuer:** Since the NCDs will be issued in one or more tranches and issuances, price will be determined by the Board in accordance with the prevailing market conditions at the time of each issuance.
- f) **Name and address of valuer who performed valuation:** Not Applicable in case of NCDs.
- g) **Amount which the Company intends to raise by way of such securities:** Up to INR 3,000,00,00,000 (Indian Rupees Three Thousand Crores only) in one or more issuances.
- h) **Material terms of raising such securities, principle terms of assets charged as securities:** Listed or unlisted, unsecured NCDs which shall be issued for such rates of interest and other terms as may be finalized by the Board.
- i) **The class or classes of persons to whom the allotment is proposed to be made:** Qualified institutional buyers, foreign portfolio investors, banks, financial institutions, non-banking financial companies, alternative investment funds, mutual funds, provident and gratuity funds, corporates and such other entities/ persons eligible to subscribe to the NCDs.
- j) **Intention of the promoters or directors to subscribe to the offer either as a part of the offer or separately in furtherance of objects:** None of the promoters or directors are proposing to subscribe to the NCDs.
- k) **The proposed time within which the allotment shall be completed:** As per each information memorandum.
- l) **Principle terms of assets charged as security:** The NCDs are proposed to be unsecured.

The Board of Directors recommend passing of the resolution set out in item No.04 of the Notice as a special resolution.

None of the Directors, Key Managerial Personnel and relatives thereof are interested or concerned in the proposed resolution.



NOTE:

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member of the company. Proxy, if appointed, form appointing proxy should be returned to the company duly completed not later than forty-eight hours before the commencement of the meeting.
- 2) The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the item No. 4 are annexed hereto.
- 3) Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a certified copy of the Board Resolution or Authorization letter to the Company, authorizing them to attend and vote on their behalf at the AGM.
- 4) Pursuant to Notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending section 139 of the Companies Act, 2013 and the Rules framed thereunder, the mandatory requirement for ratification of appointment of Auditors by the Members at every Annual General Meeting (“AGM”) has been omitted, and hence the Company is not proposing an item on ratification of appointment of Auditors at this AGM.

For and on behalf of Board of Directors
John Deere Financial India Private Limited

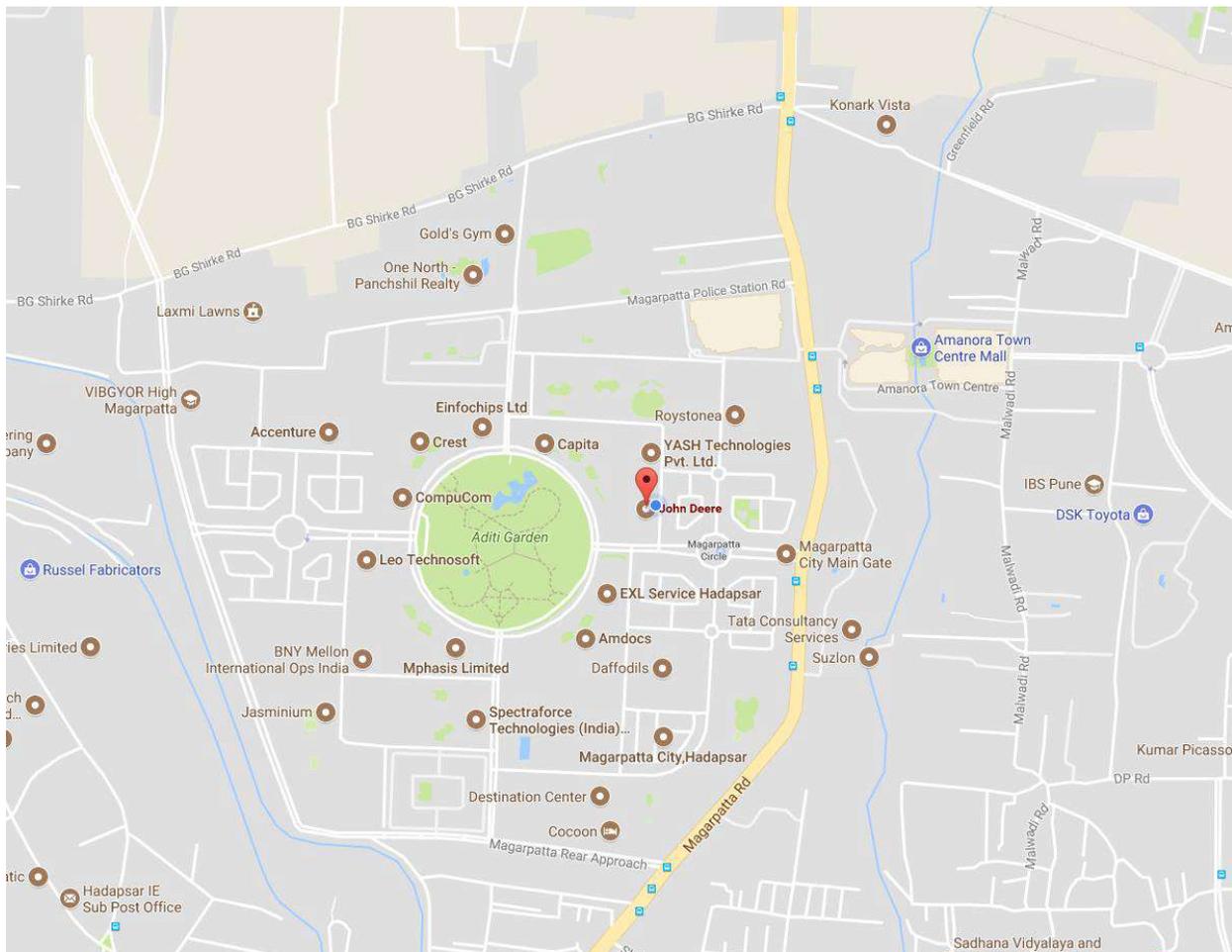
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Date: 2023.04.25 12:46:25 +05'30'

Ankush Lawate
Company Secretary
Email ID: lawateankush@johndeere.com

Date : April 25, 2023
Place : Pune

Route Map to the venue of AGM



BOARD REPORT

To
 The Members,
John Deere Financial India Private Limited

Your Directors have great pleasure in presenting the 12th Annual Report together with the Audited Statements for the financial year ended March 31, 2023:

1. Financial Summary

The key highlights of the financial performance of the Company for the year, as stated in the audited financial statement, along with the corresponding performance for the previous year are as under:

(Amount in Lakhs)

Particulars	FY 2022-23	FY 2021-22
Total Income	62,127	57,364
Finance Cost	19,202	18,251
Impairment of Financial Instruments	5,866	10,145
Depreciation	389	293
Operating expenses excl. depreciation and interest	19,015	15,308
Profit before depreciation and interest	38,876	33,056
Profit before taxes	19,285	14,512
Provision for taxation	4,959	3,651
Profit after tax	14,326	10,860
Retained Earnings* brought forward from prior year	20,590	12,475
Less: Adjustment for Other comprehensive Income	(26)	(46)
Less: Transfer to Statutory reserve	(2,865)	(2,163)
Less: Dividend paid during the year	(1,072)	(536)
Retained Earnings* carried forward for following year	30,954	20,590

*Including other comprehensive income

2. State of Company's affairs & Changes in Business

During the year under review, the Company continued to increase its reach of financing tractors, construction equipment and other equipment manufactured or sold by John Deere India Private Limited and its subsidiary named Wirtgen India Private Limited in India.

The Company is exposed to certain financial risks namely credit risk, interest risk, currency risk & liquidity risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee and Asset Liability Committee (ALCO). The Risk Management committee and ALCO is responsible for developing and monitoring risk management policies for its business and ensuring compliance with the statutory/regulatory framework of the risk management process.

Estimates and associated assumptions applied in preparing these financial results, especially for determining the impairment allowance for the financial assets (Loans), are based on historical experience and other emerging forward-looking factors. The Company believes that the factors considered are reasonable under the current circumstances.

JDF has a loan book of INR 427,590 lakh as on March 31, 2023 as against INR 373,540 lakh in the previous year. There is a growth of 14% in the portfolio.

Company's portfolio has been growing with the robust growth in sales of tractors and implements by its parent company. Being captive finance unit, Company's business growth is dependent on growth of sales for agricultural equipment manufactured by John Deere India Private Limited and Construction Equipment manufactured by Wirtgen India Private Limited.

The agriculture sector in India continues to experience strong performance with increased production levels and good price realization.

The Government is continuing its focus to boost the GDP levels by pushing infrastructure development primarily in road and mining segment. Government is also re-strategizing their approach in road development segment due to higher fund allocation to fight ongoing pandemic situation. This will support the road construction financing business.

Company is a captive finance company catering to retail financing of equipment manufactured by John Deere India Private Limited and Wirtgen India Private Limited, its progress is closely aligned to the sales and growth of its equipment business. Company has complied with and continues to comply with all the applicable regulations and guidelines specified by Reserve Bank of India.

During the year under review, the Company has issued listed unsecured non-convertible debentures amounting to INR 35,000 Lakh and listed commercial paper amounting to INR 20,000 Lakh those are listed on BSE Limited.

There were no changes in the nature of the business of the Company during the year under review.

3. Management Discussion & Analysis Report

The Management Discussion & Analysis Report is enclosed as **Annexure 'I'** to this Report.

4. Share Capital

During the year under review, there was no change in the Authorized Capital as well as Paid up Capital of the Company.

Authorised Share Capital:

Authorised Share Capital of the Company as on March 31, 2023 was INR 800,00,00,000 comprising of 80,00,00,000 equity shares of INR 10 each.

Paid up Share Capital:

The Company has neither issued any equity shares including equity shares with differential rights as to dividend, voting or otherwise, nor has issued any sweat equity shares, employee stock options, during the year under review.

Issued and paid up Equity share Capital as on March 31, 2023 was INR 535,90,00,000 comprising of 53,59,00,000 equity shares of INR 10 each.



Non-Convertible Debentures

The Company has an aggregate outstanding balance of INR 1,17,584 Lacs through issue of Non-Convertible Debentures on Private Placement basis as on March 31, 2023. The Non-Convertible Debentures of your Company continue to remain listed on BSE Limited (BSE) and the Company has paid the Listing fees to BSE for the FY 2022-23.

5. Dividend

Your Directors have pleasure in recommending dividend of 3% i.e. 30 paise per equity share to be paid out of current year profit. The Dividend payable shall be subject to approval of shareholder in upcoming Annual General Meeting. If approved, total dividend would result in payout of INR 1608 Lakhs.

6. Transfer to reserves

The Company has created Statutory Reserve under 45IC of RBI Act 1934 and transferred INR 2,865 Lakhs to the Statutory Reserve.

7. Deposits

The Company is registered with Reserve Bank of India (RBI) as Non-Banking Financial Company (NBFC) under Section 45-IA of the RBI Act, 1934 falls under the category of Systemically Important Non-Deposit taking NBFC. The Board of Directors hereby confirm that the Company has not accepted any public deposit during the year under review and will not accept deposit in future without prior approval of Reserve Bank of India.

8. Capital Adequacy

Your Company being a Systemically Important Non- Deposit taking NBFC is subject to the capital adequacy requirements prescribed by the Reserve Bank of India. The Company was required to maintain a minimum Capital to Risk Asset Ratio (CRAR) of 15% as prescribed under the Non- Banking Financial Company- NDSI (Reserve Bank) Directions, 2016 (as amended from time to time) based on total capital to risk weighted assets. As of March 31, 2023, the Company's total Capital Adequacy Ratio (CAR) stood at 21.27%, which is well above the regulatory minimum of 15%.

Out of the above, Tier I capital adequacy ratio stood at 20.25 % and Tier II capital adequacy ratio stood at 1.02 %.

9. Material changes and commitments affecting financial position between the end of the financial year and date of the report

There are no material changes and commitments affecting financial position of the company between the end of the financial year and date of the report.

10. Board of directors & committees

For details of the composition of the board of directors, committees constituted by the board, number of meetings held during the year and attendance thereof, please refer Corporate Governance Report enclosed as Annexure II to this report.

11. Directors' responsibility statement

The Directors confirm that:

- (i) In the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) The Directors had selected such accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at the end of the financial year March 31, 2023 and of the profit and loss of the Company for that period.
- (iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Directors have prepared the annual accounts for the year ended March 31, 2023 on a going concern basis.
- (v) 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.

12. Directors and key managerial personnel

During the year under review below were the Directors and Key Managerial Personnel:

Sr. No.	Name	Designation	Remarks If any
1.	Abhay Dhokte	Managing Director	
2.	Ajit Jain	Director	
3.	Manish Phalke	Director	Resigned w.e.f. Sep 29, 2022
4.	Pranjali Rahul Patil	Director	
5.	Mark Ferres	Chairman	Appointed as Chairman w.e.f. July 21, 2022
6.	Patrick Mack	Independent Director	Appointed w.e.f. October 20, 2022
7.	Jyoti Kumar Pandey	Independent Director	Appointed w.e.f. March 10, 2023
8.	Vaishnavi Suratwala	Company Secretary	
9.	Girish Sivaramakrishnan	Chief Finance Officer	

The Board places on its record the sincere thanks for all the valuable guidance and significant contributions provided by Mr. Manish Phalke during his tenure as Director of the company.

13. Corporate governance report

Company recognizes the importance of Corporate Governance as a component of providing long-term shareholder value. Company has always focused on ensuring the highest standards for prudence, ethics and transparency in corporate governance. Business Structure Policy – Internal Guidelines on Corporate Governance defines the constitution of the board, committees and their roles and responsibilities and serves as guiding principles to reflect on the corporate governance objectives. Apart from this, Company has various policies in place in line with the compliances of applicable statutory requirements and nature of business of the company.

A detailed report on corporate governance is attached as part of this report, vide Annexure II.

14. Credit rating

During the year under review, Rating Agencies issued ratings to JDFIPL as under:

Rating Agency	Rating	Nature of Securities	Amount (INR Lakhs)	Date of Rating
CRISIL	CRISIL A1+	Commercial Paper	60,000	3-Nov-22
CRISIL	CRISIL A1+	Commercial Paper	60,000	30-Dec-22
CRISIL	CRISIL AAA/Stable	Term Loan	27,000	30-Dec-22
CRISIL	CRISIL AAA/Stable	Non-Convertible Debentures	10,000	30-Dec-22
CRISIL	CRISIL AAA/Stable	Non-Convertible Debentures	10,000	30-Dec-22
CRISIL	CRISIL AAA/Stable	Non-Convertible Debentures	20,000	30-Dec-22
CRISIL	CRISIL AAA/Stable	Non-Convertible Debentures	35,000	30-Dec-22
CRISIL	CRISIL AAA/Stable	Non-Convertible Debentures	35,000	30-Dec-22
CRISIL	CRISIL AAA/Stable	Non-Convertible Debentures	5,000	30-Dec-22
CRISIL	CRISIL AAA/Stable	Non-Convertible Debentures	30,000	30-Dec-22
ICRA	[ICRA]A1+	Commercial Paper	40,000	1-Nov-22
ICRA	[ICRA] AAA	Term Loan	125,500	1-Nov-22

15. Particulars of the Employee under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The disclosure requirements under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company for the financial year under review.

16. Annual return

Pursuant to Sec. 92(3) read with Section 134 (3) (a) of the Companies Act and other applicable provisions, Annual Return as on March 31, 2023 will be updated on the website at <https://www.deere.co.in/en/investor-information/> after its submission to Registrar Of Companies.

17. Particulars of loans, guarantees or investments

Since the Company is a registered entity under the Reserve Bank of India to conduct the business of Non-Banking Financial Services, pursuant to the section of 186 (11) (a), (b) of the Companies Act, 2013, the company is exempted from complying with the provisions.

Further, details of Investments made by the Company during the year under review form a part of the financial statements.

18. Deposits, covered under Chapter V of Companies Act, 2013

Apart from exempted category of deposits, company has not accepted any deposits covered under Chapter V of Companies Act.

19. Related party transactions

As required under SEBI LODR and Companies Act, 2013, the Company has formulated a 'Policy on Related Party Transactions'. The same is available on the website of the Company at <https://www.deere.co.in/assets/pdfs/region-1/finance/india-financing/related-party-policy.pdf>

Details of Related Party Transactions, as required to be disclosed by Indian Accounting Standard –24 on "Related Party Disclosures" specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, are given in the Notes to the Financial Statements.

Further all contract/arrangements/transactions entered by the Company during the financial year with related parties were in ordinary course of business and on arm's length basis.

The particulars of the related party transactions as prescribed in Form AOC-2 of The Companies (Accounts) Rules, 2014 has been included as Annexure III to this Board Report.

20. Details Of Subsidiary/Joint Ventures/Associate Companies

The Company does not have any subsidiary/Joint Ventures/Associates Companies. Hence, additional disclosures are not applicable.

21. Details of conservation of energy, technology absorption

Your Company is not engaged in any manufacturing activity and thus its operations are not energy intensive. However, adequate measures are always taken to ensure optimum utilization and maximum possible saving of energy.

22. Foreign exchange earnings and outgo

During the year, the Company incurred INR 2,436 Lakhs as expenditure in foreign currency. Further, interest expense on ECB for FY 2022-23 amounts to INR 303 Lakhs.



23. Risk management policy of the company

The primary purpose of the Company is to support the sale of the products manufactured by parent company including its subsidiary company while managing risk effectively. To manage the risk effectively company have developed policies and processes to incorporate a consistent approach to risk management by developing culture at operational and strategic levels. In all cases, appropriate measures are put in place to address unfavorable impact from risk and favorable benefit from opportunities.

Company categorizes risk broadly in following six parameters:

1. Information risk: Risk that stems from either a lack of key, relevant information, or the dubious nature of the data that is available. One form of information risk is “accounting risk”, which is the risk associated with the reliance on questionable financial statement data. This type of risk is not measurable or manageable because the true facts are unknown.
2. Financial risk: Risk associated with the ongoing financial performance and condition of a company. Often measured by an assessment of liquidity, solvency, profitability, leverage, cash flow, credit history, etc. Company commercial risk rating system attempts to quantify financial risk.
3. Non-financial risk: Areas that influence the level of non-financial risk include the firm’s quality and depth of its management team, strategies, and the strength and direction of the market in which the business operates.
4. Transaction risk: Risk arising from the nature of the loan transaction itself. This risk can increase or decrease depending on the structure of the loan, the accuracy with which the repayment schedule matches borrower cash flow, the true protection provided by collateral among others. To some degree, your company structure rating system attempts to quantify transaction risk.
5. Behavioral risk: Risk that generally stems from internal control deficiencies or questionable character issues.
6. Environmental risk: Risks that are often not in one’s control, such as weather conditions and volatility of crop prices. Crop insurance, hedging strategies and other financial tools can be utilized to mitigate these risks.

Company does not seek to completely avoid all these risks. However, it strives to identify measures and mitigate these risks in prudent manner, through our policies and processes.

24. Corporate social responsibility

The Corporate Social Responsibility Committee (CSR Committee) has formulated a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board in accordance with the provisions of Section 135 of the Companies Act, 2013 read with rules made thereunder.

The CSR Policy can be accessed on the Company’s website at the link:
https://www.deere.co.in/assets/pdfs/region-1/finance/india-financing/JohnDeere_Financial_India_Pvt_Ltd_CSR_Policy.pdf

The Annual Report on CSR activities for the financial year ended 2022-23 is annexed herewith as “Annexure IV”

25. Statutory Auditors

M/s. B K Khare & Co, Chartered Accountants, having registration number 105102W were appointed as the Statutory Auditors of the Company for the period of 2 consecutive years at the 11th AGM of the Company and will retire at the ensuing 13th Annual General Meeting., in accordance with Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) issued by the Reserve Bank of India vide their notification dated April 27, 2021.

26. Qualifications, reservations or adverse remark or disclaimer, if any

There were no qualifications, reservation or adverse remarks provided by the Statutory Auditors in the Statutory Auditors' Report on financial statements of the Company for the year ended March 31, 2023.

27. Secretarial Audit Report

In terms of Section 204 read with Section 134(3) of the Companies Act and rules made thereunder, M/s. DVD & Associates, Practicing Company Secretaries has been appointed as Secretarial Auditor of the Company.

Secretarial Audit Report and Secretarial Compliance Report which is issued by M/s. DVD & Associates, Practicing Company Secretaries in prescribed formats for the financial year 2022-23 is enclosed as Annexure V and Annexure VI respectively to this report.

There were no qualifications, reservation or adverse remarks provided by the Secretarial Auditor in its report for the year ended March 31, 2023.

28. Cost records

Maintenance of cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013, is not required by the Company as the Company does not fall under the ambit of prescribed class of Companies who are required to make and maintain cost records.

29. Frauds reported by auditors

During the year under review, no cases of fraud against the Company by its officers or employees has been reported either by the Statutory Auditor or Secretarial Auditor, under Section 143(12) of the Companies Act, 2013.

Significant or material orders passed by Regulators

During the year under review, there were no significant orders passed by the regulators or courts or tribunals impacting the going concern status of the company and its operations in future.

30. Adequacy of internal financial control with reference to financial statements

The Company has in place robust internal financial controls and risk mitigation system commensurate with the size of the Company and nature of its business. Company has Internal Audit conducted during the year to assess efficacy of control mechanism in its financial transactions.

Additionally, IT, Risk and Compliance audits are undertaken periodically to ensure effective monitoring. During the year under review there were no material reportable observations causing financial loss. Events indicating breach of 'Risk or Compliance' of the Company policies or guidelines has been discussed and acted upon.

31. Vigil Mechanism

Pursuant to the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and Scale Based Regulations issued by Reserve Bank of India, company has setup Vigil Mechanism for Directors, employees and business associates to report genuine concerns has.

The Vigil Mechanism Policy has been uploaded on the website of the Company at <https://www.deere.co.in/assets/pdfs/region-1/finance/india-financing/jdf-046-whistle-blower-policy.pdf>

Further, there were no complaints received under Vigil Mechanism for the year under review.

32. Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace

Company has adopted a Policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Company is committed to provide a safe and secure environment to its women employees across its functions and other women stakeholders, as they are considered as integral and important part of the Organization.

An Internal Complaints Committee (ICC) with requisite number of representatives has been set up to redress complaints relating to sexual harassment, if any, received from women employees and other women associates. All employees (including permanent, contractual, temporary, trainees) are covered under this policy, which also extends to cover all women stakeholders of the Company.

The following is a summary of sexual harassment complaints received and disposed off during the financial year ended March 31, 2023:

Number of Complaints received	Nil
Number of Complaints disposed off	Nil
Number of cases pending for more than 90 days	Nil



Number of workshop and awareness program against sexual harassment carried out	<ul style="list-style-type: none"> • Once in a year online mandatory training is assigned to all salaried employees. • Orientation program is conducted to the new employees on joining. • Online Investigation Process Training Program to IC members
Nature of action taken by the employer or district Officer	Nil

33. Acknowledgement

The Board of Directors would like to place on record its gratitude for the support and cooperation extended to the Company by its customers, shareholders, debenture holders, dealers, bankers, statutory bodies and government agencies.

For and on behalf of the Board of Directors
John Deere Financial India Private Limited

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email=dhokteabhay@johndeere.com
Date: 2023.04.24 13:58:47 +05'30'

Name : Abhay Dhokte
Designation : Managing Director
DIN : 08481252

AJIT PRAKASH
JAIN

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c=IN, o=Personal,
email=jainajit@johndeere.com
Date: 2023.04.24 14:04:44 +05'30'

Name : Ajit Jain
Designation : Director
DIN : 07021106

Date : 24th April, 2023
Place : Pune

Enclosures

Annexure I : Management Discussion & Analysis Report
Annexure II : Corporate Governance Report
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**ANNEXURE - I
MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDUSTRY STRUCTURE AND DEVELOPMENTS**

John Deere Financial India Private Limited (JDFIPL) is licensed as a Non-Banking Financial Company by Reserve Bank of India. The Non Banking Financial Companies are playing a very vital role in Indian Financial markets and also competing with Banking Sectors by providing various Financial services and are playing a complementary role with other Financial institutions in Indian Economy.

JDFIPL is a captive finance company catering to retail financing of equipment manufactured by John Deere India Private Limited and Wirtgen India Private Limited, its progress is closely aligned to the sales and growth of its equipment business.

During the year, the loan book of the company has grown from INR 373,540 lakhs in FY 2021-22 to INR 427,590 lakhs in FY 2022-23, net of impairment allowances reflecting a 14% growth.

Business Environment for Tractor Industry

The COVID-19 outbreak had a positive impact on the growth of the India tractor industry owing to increase in demand for agricultural produce such as cereals, vegetables, and fruits in the country.

The India tractor market size was valued at INR 6,183,620 Lakhs in 2020, and is expected to reach INR 10,414,820 lakh by 2030, with a CAGR of 7.9% from 2021 to 2030.

During the year the tractor industry and John Deere India Private Limited's domestic sales have grown as shown below:

	FY 2022-23	FY 2021-22
Tractor industry sales no.	945,311	8,42,267
JDI domestic sales no.	82,658	81,057

Performance:

During the year the company's portfolio for agricultural equipment has grown from INR 343,382 lakhs in FY 2021-22 to INR 378,727 lakhs in FY 2022-23.

Business Environment for Construction Equipment Industry

The roads and highways sector has been and continues to be one of the key drivers for growth for the infrastructure sector in India. India needs roads, both in rural and urban areas to progress. The government has shown significant focus on building a world-class road network. Thus, there is a substantial budget outlay in successive National Budgets towards this segment. Investments that have been earmarked for this sector present a great opportunity for the construction equipment market. The Indian Government's 'vision plan 2030' outlined an action plan to become a manufacturing and export hub for construction equipment and propel the development of world-class infrastructure in the country.

Performance

The portfolio for road construction equipment has grown from INR 30,156 lakhs in March 2022 to INR 48,862 lakhs in March 2023 net of impairment allowances.

OUTLOOK, OPPORTUNITIES AND THREATS

Strong economic growth in the first quarter of FY 2022-23 helped India surpassed the United Kingdom and became the fifth-largest economy. India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. Economy is expected to grow at 6.9% in fiscal year 2023-24 and an outlook of 6.8% for 2023-24.

Measures taken by the Reserve Bank of India on the rates between April 2022 to March 2023 has increased the cost of borrowings. The Repo rate has been increased from 4% to 6.50% in the previous year.

Indian financial services industry has shown resilient growth. The government has been driving the digitalization journey in the financial sector. Unified Payment Interface (UPI) Launched in 2016, has emerged as the most popular and preferred payment mode in India pioneering Person to Person (P2P) as well as Person to Merchant (P2M) transactions in India accounting for 75 per cent of the total digital payments. The volume of UPI transactions has increased multifold from 0.45 crore in January 2017 to 804 crores in January 2023. The mission “Har Payment Digital” is aimed at reinforcing the ease and convenience of digital payments and facilitate onboarding of new consumers into the digital fold. (Source: RBI Bulletin March 2023)

In order to enhance governance standards the RBI has instituted the Scale Based Regulations with effect from 1st October 2022 and your Company is classified as a middle layer NBFC.

Over the past 2 fiscal years the RBI has introduced the Prudential norms for Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to advances, Scale-based regulation for NBFCs and Prompt Corrective Action (PCA) framework for large NBFCs and Digital Lending Guidelines

The agriculture sector in India is expected to generate better momentum in coming years due to increased investment in agricultural infrastructure. The primary objective of the company is to increase the sale of equipment manufactured by its holding company. There is significant scope for digitalization and the company has embarked on the journey with speed. Various initiatives have been taken to increase the digital penetration. The company continues increasing usage of e-kyc, e-agreements, e-loan offer letters in the prior year. This is in addition to digital modes offered to customers for making their repayments. The Company is also providing new products to customers in the form of refinance, top up, and used equipment financing. There are opportunities available to make the purchase decision of the customer smoother and more efficient for him. The Company continues to ensure speed in disbursement of loan to customer against his loan.

On the road financing sector the government has undertaken various initiatives which strengthen the scope for growth financing in that sector. We have seen a strong year on year growth in the road construction portfolio.



The Company has adequate funding lines in place to meet its business requirements and debt repayment obligations. As at March 31, 2023 the unutilized bank lines are INR 107,500 lakhs and Intercorporate Line from John Deere India Private Limited of INR 100,000 lakhs.

The Company considers the digitalization wave, the revival of demand in the rural sector, increased focus of the government on the infrastructure development as an opportunity.

There has been a significant enhancement in compliance requirements for NBFCs which the RBI has introduced and will require financial institutions to invest heavily on meeting these requirements. The increase in cost of borrowing is a threat to the sector with Repo rate being increased by 250 bps in the past one year. Your directors expect that with the Company's inherent strong business model with upcoming models, focus on digitalization and automation to provide enhanced customer experience, the continued confidence of investors and support of the lending institutions to the Company's fund mobilization activities on account of good track record of debt servicing, your Company should achieve satisfactory performance in the coming years.

RISKS AND CONCERNS

Overall Agricultural sector showing slower growth as compared to last year which is impacting tractor industry negatively. We are facing strong competition in pricing from competitors.

Credit Risk, Market risk, Operational risk, Compliance Risk and Liquidity risk are the key risks inherent to the business of the Company. The Company has established a robust risk management framework to manage these risks and is continuously engaged in reinforcing risk management practices.

The Company during the year also incorporated a policy on Internal Capital Adequacy Assessment process and due study would be carried out on a periodic basis to assess any Risk to the capital adequacy.

The Company is currently adequately funded with a healthy CRAR above the regulatory requirements and does not see any requirement to enhance the capital requirements in the current stage.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has put in place adequate internal control mechanisms to ensure compliance to various processes. The mechanism ensures proper recording of transactions as well as ensuring regulatory compliance. The Company has established various policies for different business and regulatory processes which are reviewed periodically. There are tools used by the company to monitor regulatory compliances and Internal Control checklists to monitor adherence to processes. The Company has a global internal team and an external audit team to conduct internal audit. Every year, the management and internal auditors discuss and recommend areas to be audited to the Internal audit team after approval from the Audit Committee. Audit firms are empaneled to conduct audits both statutory and internal audits. The reports issued are discussed with the senior management and also reviewed by the Audit Committee of the Board. Required actions are taken and followed upon to enhance controls.

In addition to the above, Internal control systems and their adequacy is also discussed in the Directors' Report.



DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Financial Performance and operational performance form parts of the Financial statements and other parts of directors report. There are no significant changes in key financial ratios of the Company for FY 2022-23 as compared to FY 2021-22.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

There has been no material development in human resources front during the financial year.

JDFIPL firmly believes that Human Capital is its most important asset of the Company. Company considers health, safety and well-being of each employee as its top most priority.

There are endless growth opportunities available for the employees at Company and its affiliates. Whether it's reading articles or books, attending a class or conference, coaching, mentoring, higher education, taking on a new role or assignment, volunteering, networking with colleagues, or benchmarking with other companies, these activities foster fresh ideas and innovation which helps employees to reach to the fullest potential and the company achieve its business goals.

For and on behalf of the Board of Directors

John Deere Financial India Private Limited

ABHAY
DINKAR
DHOKTE

Digitally signed by ABHAY DINKAR
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AJIT PRAKASH
JAIN

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c=IN, o=Personal,
email=jainajit@johndeere.com
Date: 2023.04.24 14:05:20 +05'30'

Name : Abhay Dhokte
Designation : Managing Director
DIN : 08481252

Name : Ajit Jain
Designation : Director
DIN : 07021106

Date : 24th April, 2023
Place : Pune



ANNEXURE - II
CORPORATE GOVERNANCE REPORT

Company recognizes the importance of Corporate Governance as a component of providing long-term shareholder value. Company has always focused on ensuring the highest standards for prudence, ethics and transparency in corporate governance. Business Structure Policy – Internal Guidelines on Corporate Governance defines the constitution of the board, committees and their roles and responsibilities and serves as guiding principles to reflect on the corporate governance objectives.

1. Composition of the board

The composition of the Board of Directors as on March 31, 2023 together with number of meetings held during the year and attendance thereof is given as below:

Sr. No	Name of Director	Director Since	Capacity	DIN	No. of meetings		Other directorships	Remuneration in Lakh			No. of shares held in company
					Held	Present		Salary	Sitting Fees	Commission	
1	Abhay Dhokte	1-Jul-19	Managing Director & Executive Director	08481252	6	6	0	204	0	0	0
2	Ajit Jain	28-Jan-15	Non-Executive Director	07021106	6	6	0	0	0	0	0
3	Mark Ferres	7-Jul-21	Chairman & Non-Executive Director	09201972	6	4	0	0	0	0	0
4	Patrick Mack	20-Oct-22	Independent Director	06503377	3	3	0	0	10	0	0
5	Pranjali Patil	15-May-20	Non-Executive Director	08738193	6	6	0	0	0	0	0
6	Jyoti Kumar Pandey	10-Mar-23	Independent Director	09580735	0	0	0	0	0.2	0	0

Details of change in composition of the Board during the year under review:

Sr. No.	Name of Director	Capacity	Nature of Change (Resignation / Appointment)	Effective date
1	Manish Phalke	Non-Executive Director	Resignation	29-Sep-22
2	Patrick Edward Mack	Independent Director	Appointment	20-Oct-22
3	Jyoti Kumar Pandey	Independent Director	Appointment	10-Mar-23



None of the Directors of the Company are related to each other.

2. COMMITTEES OF THE BOARD & THEIR COMPOSITION

The Board currently has the following Committees:

In compliance with the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and any directions and guidelines issued by Reserve Bank of India from time to time, as on March 31, 2023 the Board has duly constituted the following committees:

- A. Audit Committee
- B. Nomination Committee
- C. Risk Management Committee
- D. IT Committee
- E. Customer Service Committee
- F. CSR Committee
- G. ALCO Committee

The Committees have optimum combination of Executive, Non-Executive and/or Independent Directors. The Committees are constituted with specific terms of reference and scope to deal with specific matters expediently. The details of the committees constituted by the Board are given below:

A. Audit Committee

During the period under review, four number of meetings were held on the respective dates as below:

Date of committee meeting	Committee strength	No. of Members present
April 25, 2022	7	6
July 21, 2022	7	6
October 20, 2022	6	5
January 20, 2023	3	3

Composition of the Audit Committee as on March 31, 2023 and summarized details of number of meetings held and attended by the members (who are part of the committee at the end of the financial year) during the year are as given below:

Name of Member	Member Since	Capacity	No. of meetings		No of shares held
			Eligible to attend	Present	
Mark Ferres	17-Nov-2022	Non-Executive Director	4	3	0
Patrick Mack	17-Nov-2022	Independent Director	1	1	0
Jyoti Kumar Pandey	10-Mar- 2023	Independent Director	0	0	0

*Audit Committee was reconstituted with effect from November 17, 2022, hence date of 'member since' is considered as November 17, 2022. Actual date of addition / cessation is considered for the changes made subsequently.

Terms of reference:

The Audit Committee reviews the financial accounting policies, adequacy of internal control systems and systems audit and interacts with the statutory auditors, internal auditors and systems auditors. Chief Financial Officer and other Senior Executives are invitees to the committee meetings.

B. Nomination and Remuneration Committee

During the period under review, three number of meetings were held on the respective dates as below:

Date of committee meeting	Committee strength	No. of Members present
April 12, 2022	4	4
October 19, 2022	3	3
March 7, 2023	3	2

Composition of the Committee as on March 31, 2023 and summarized details of number of meetings held and attended by the members (who are part of the committee at the end of the financial year) during the year are as given below:

Name of Member	Member Since	Capacity	No. of meetings		No of shares held
			Eligible to attend	Present	
Ajit Jain	17-Nov-2022	Non-Executive Director	3	3	0
Patrick Mack	17-Nov-2022	Independent Director	1	1	0
Jyoti Kumar Pandey	10-Mar- 2023	Independent Director	0	0	0

* Nomination and Remuneration Committee was reconstituted with effect from November 17, 2022, hence date of 'member since' is considered as November 17, 2022. Actual date of addition / cessation is considered for the changes made subsequently.

Terms of reference: The Committee is responsible to review the fit and proper criteria for Directors. Committee is also responsible for appointments and removals of directors and senior management, the compensation related matters of the directors and senior management, evaluation of Directors performance, etc.

C. Risk Management Committee

During the period under review, four meetings of Risk Management Committee were held details of which are as under:

Date of committee meeting	Committee strength	No. of Members present
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June 23, 2022	7	5
September 29, 2022	7	4
November 23, 2022	9	8
February 27, 2023	9	7

Composition of the Committee as on March 31, 2023 and summarized details of number of meetings held and attended by the members (who are part of the committee at the end of the financial year) during the year are as given below:

Sr. No.	Name of Member	Member Since	Capacity	No. of meetings		No of shares held
				Eligible to attend	Present	
1.	Abhay Dhokte	17-Nov-2022	Executive Director	4	2	0
2.	Pranjali Patil	17-Nov-2022	Non-Executive - Non Independent Director	2	2	0
3.	Ajit Jain	17-Nov-2022	Non-Executive - Non Independent Director	2	2	0
4.	Mark Ferres	17-Nov-2022	Non-Executive - Non Independent Director	2	0	0
5.	Jyoti Kumar Pandey	10-Mar-2023	Non-Executive - Independent Director	0	0	0
6.	Girish Sivaramakrishnan	17-Nov-2022	Chief Financial Officer (Member)	4	4	0
7.	Ravinder Reddy	17-Nov-2022	Head Legal (Member)	4	4	0
8.	Akhil Agarwal	17-Nov-2022	Head Retail Credit (Member)	4	4	0
9.	Narasimha Murthy	17-Nov-2022	Head Risk & Compliance (Member)	2	2	0

This Committee was reconstituted with effect from November 17, 2022, hence date of 'member since' is considered as November 17, 2022. Actual date of addition / cessation is considered for the changes made subsequently.

Terms of reference:

The Risk Management Committee shall in co-ordination with the Asset Liability Management Committee (ALCO) oversee the establishment and operation of the risk management system, including reviewing the adequacy of risk management practices for the material risks, such as credit, market, liquidity, legal compliance regulatory and operational risks, on a regular basis.

D. Information Technology Strategy Committee

During the period under review, four number of meetings were held details of which are as under:

Date of committee meeting	Committee strength	No. of Members present
April 22, 2022	10	5
July 26, 2022	10	5



November 4, 2022	10	5
January 24, 2023	11	10

Composition of the Committee as on March 31, 2023 and summarized details of number of meetings held and attended by the members (who are part of the committee at the end of the financial year) during the year are as given below:

Sr. No.	Name of Member	Member Since	Capacity	No. of meetings		No of shares held
				Eligible to attend	Present	
1.	Abhay Dhokte	17-Nov-2022	Member (Managing Director)	4	4	0
2.	Pranjali Patil	17-Nov-2022	Member (Non-Executive Director)	4	2	0
3.	Jyoti Kumar Pandey	10-Mar-2023	Chairman - Independent Director	0	0	0
4.	Sanjeev Palnitkar	17-Nov-2022	Member (Head Operations)	4	4	0
5.	Sudhir Thite	17-Nov-2022	Member (Head Retail Finance -A&T)	4	2	0
6.	Suragond Siddalingesh	17-Nov-2022	Member (Business Head Wirtgen)	4	2	0
7.	Sonali Phule	17-Nov-2022	Member (Head HR)	4	0	0
8.	Ravinder Reddy	17-Nov-2022	Member (Head Legal)	4	3	0
9.	Sivaramakrishnan Girish	17-Nov-2022	Member (Chief Financial Officer)	4	4	0
10.	Rakhi Chandak	17-Nov-2022	Member (Chief Information Officer)	2	2	0
11.	Pankaj Bharambe	17-Nov-2022	Member (Chief Technology Officer)	1	1	0

This Committee was reconstituted with effect from November 17, 2022, hence date of 'member since' is considered as November 17, 2022. Actual date of addition / cessation is considered for the changes made subsequently.

Terms of reference:

This committee is constituted with roles and responsibilities as provided under IT Strategy Committee in reference to Master Direction DNBS.PPD.No.04/66.15.001/2016-17 dated June 08, 2017 on Information Technology Framework for the NBFC Sector, issued by Reserve Bank of India.



E. Corporate Social Responsibility Committee

During the period under review, four number of meetings were held details of which are as under:

Date of committee meeting	Committee strength	No. of Members present
June 27, 2022	3	3
September 26, 2022	3	2
December 15, 2022	3	3
March 16, 2023	3	3

Composition of the Committee as on March 31, 2023 and summarized details of number of meetings held and attended by the members (who are part of the committee at the end of the financial year) during the year are as given below:

Sr. No	Name of Director	Member Since	Capacity	No. of meetings		No of shares held
				Eligible to attend	Present	
1	Abhay Dhokte	17-Nov-2022	Executive Director	4	4	0
2	Pranjali Patil	17-Nov-2022	Non-Executive Director	2	2	0
3	Jyoti Kumar Pandey	10-Mar- 2023	Non-Executive Independent Director	1	1	0

This Committee was reconstituted with effect from November 17, 2022, hence date of 'member since' is considered as November 17, 2022. Actual date of addition / cessation is considered for the changes made subsequently.

Terms of reference: Roles and responsibilities of the committee include formulation of CSR Policy, recommend and monitor the CSR expenditure and activities, formulate Annual Action Plan etc.

F. Customer Service Committee Charter

During the period under review, twelve number of meetings of the committee were held as under:

Date of committee meeting	Committee strength	No. of Members present
April 4, 2022	6	5
May 6, 2022	6	3
June 6, 2022	6	6
July 4, 2022	6	5
August 3, 2022	6	4
September 5, 2022	6	5
October 11, 2022	6	4
November 3, 2022	6	4



December 5, 2022	6	5
January 5, 2023	6	5
February 6, 2023	6	5
March 6, 2023	6	6

Composition of the Committee as on March 31, 2023 and summarized details of number of meetings held and attended by the members (who are part of the committee at the end of the financial year) during the year are as given below:

Sr. No	Name of Director	Member Since	Capacity	No. of meetings		No of shares held
				Eligible to attend	Present	
1.	Sanjeev Palnitkar	17-Nov-2022	Chairman (Head Operations)	12	12	0
2.	Sudhir Thite	17-Nov-2022	Member (Head Retail Finance A&T)	12	10	0
3.	Suragond Siddalingesh	17-Nov-2022	Member (Business Head Wirtgen)	12	10	
4.	Sonali Phule	17-Nov-2022	Member (Head HR)	12	4	
5.	Ravinder Reddy	17-Nov-2022	Member (Head Legal)	12	10	0
6.	Murthy Narasimha	17-Nov-2022	Member (Head Risk & Compliance)	12	11	

This Committee was reconstituted with effect from November 17, 2022, hence date of 'member since' is considered as November 17, 2022. Actual date of addition / cessation is considered for the changes made subsequently.

Terms of reference: Company has constituted the Customer Service Committee Charter to ensure formulation, implementation and review of services rendered by the company as per guidelines (like establishing the customer grievance redressal mechanism) as mandated by Reserve Bank of India from time to time.

G. Asset-Liability Management Committee (ALCO)

During the period under review, four number of meetings of the committee were held as under:

Date of committee meeting	Committee strength	No. of Members present
May 20, 2022	5	3
August 29, 2022	5	3
November 18, 2022	5	4
March 20, 2023	5	5

Composition of the Committee as on March 31, 2023 and summarized details of number of meetings held and attended by the members (who are part of the committee at the end of the financial year) during the year are as given below:

Sr. No.	Name of Member	Member Since	Capacity	No. of meetings		No of shares held
				Eligible to attend	Present	
1	Abhay Dhokte	17-Nov-22	Executive Director	4	3	0
2	Girish Sivaramakrishnan	17-Nov-22	Chairman (Chief Financial Officer)	4	3	0
3	Akhil Agarwal	17-Nov-22	Member (Head Retail Credit - A&T)	4	4	0
4	Harshit Vora	17-Nov-22	Member (Manager Treasury & Payroll - JDI Treasury)	2	2	0
5	Suragond Siddalingesh	17-Nov-22	Member (Business Head – Wirtgen Retail)	4	2	0

This Committee was reconstituted with effect from November 17, 2022, hence date of 'member since' is considered as November 17, 2022. Actual date of addition / cessation is considered for the changes made subsequently.

Terms of reference: Asset Liability Management Committee is constituted to monitor the asset liability gap, strategize action to mitigate the risk associated, ensuring adherence to the limits set by the Board as well as for deciding the business strategy of the Company (on the assets and liabilities sides) in line with the Company's budget and decided risk management objectives.

3. General Body Meetings

During the year under review, total three meetings of shareholders of the company held as given under:

Sr.	Type of meeting	Date and place	Special Resolutions passed
1	Annual General Meeting	July 26, 2022, Pune	Approval to create, offer, issue and allot, from time to time on private placement basis listed or unlisted, unsecured, redeemable, non-convertible debentures ("NCDs") in one or more tranches or issuances, an amount not exceeding INR 3000 Crore.
2	Extra Ordinary General Meeting	December 8, 2022 Pune	Appointment of Mr. Patrick E Mack (DIN: 06503377) as a Non-Executive, Independent Director of the Company



3	Extra Ordinary General Meeting	March 31, 2023 Pune	Appointment of Mr. Jyoti Kumar Pandey (DIN: 09580735) as a Non-Executive, Independent Director of the Company.
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4. Details of non-compliance with requirements of Companies Act, 2013

There were no defaults were observed in the compliances with the requirements of Companies Act, 2013, including accounting and secretarial standards during the year under review.

5. Details of penalties and strictures

During the year under review, penalty of INR 32,000 paid to Bombay Stock Exchange for delayed submission under Regulation 50(1), 50(2) & 53(2) of SEBI LODR. Company has provided the satisfactory explanation for the delay.

6. Breach of Covenants

There are no instances of breach of covenants of loan availed by the company or debt securities issued by the company, during the financial year 2022-23.

7. Divergence in Asset Classification and Provisioning

a. Additional provisioning requirements assessed by RBI (or National Housing Bank (NHB) in the case of Housing Finance Companies) exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for the reference period:	Not applicable as provisioning requirements are not assessed by RBI for the reference period..
b. the additional Gross NPAs identified by RBI/NHB exceeds 5 per cent of the reported Gross NPAs for the reference period.	Not applicable as additional gross NPAs were not identified by RBI for the reference period.

8. No breach of Covenants

During the period under review, there were no instances of breach of covenants of loan availed or debt securities issued by the Company.

9. Divergence in Asset Classification and Provisioning

There were no divergence in the Asset Classification and provisioning norms during the financial year under review.

For and on behalf of the Board of Directors

John Deere Financial India Private Limited

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Date: 2023.04.24 14:06:37 +05'30'

Name : Abhay Dhokte
Designation : Managing Director
DIN : 08481252

Name : Ajit Jain
Designation : Director
DIN : 07021106

Date : 24th April, 2023
Place : Pune



ANNEXURE III
FORM NO. AOC - 2

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 arm's length transactions under third proviso thereto

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

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

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



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

INR lakhs

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any*	Date(s) of approval by the Board, if any	Amount paid as advances, if any
John Deere India Private Limited	Services Received for Support Charges and IPN	Ongoing	2,777.27	-	Nil
John Deere India Private Limited	Rent Cost	Ongoing	183.72	-	Nil
John Deere India Private Limited	Mfg. Subsidy	Ongoing	1,628	-	Nil
John Deere India Private Limited	Interest expense	Apr-22 to Mar-23	462	-	Nil
John Deere India Private Limited	Inter Company deposit received	Apr-22 to Mar-23	81,500	-	Nil
John Deere India Private Limited	Inter Company deposit paid	Apr-22 to Mar-23	70,484	-	Nil
John Deere India Private Limited	Other reimbursement and maintenance charges	Ongoing	239.08	-	Nil
John Deere India Private Limited	Dividend	July 26, 2022 (Approved in AGM)	1,072		Nil
Deere & Company	Information System	Ongoing	2,148	-	Nil

* The terms of contract with related party is based on transfer pricing guidelines.

For and on behalf of the Board of Directors

John Deere Financial India Private Limited

ABHAY DINKAR DHOKTE
Digitally signed by ABHAY DINKAR DHOKTE
DN: cn=ABHAY DINKAR DHOKTE, o=IN, ou=Personal, email=dhokteabhay@johndeere.com
Date: 2023.04.24 14:00:41 +05'30'

AJIT PRAKASH JAIN
Digitally signed by AJIT PRAKASH JAIN
DN: cn=AJIT PRAKASH JAIN, c=IN, o=Personal, email=jainajit@johndeere.com
Date: 2023.04.24 14:07:03 +05'30'

Name : Abhay Dhokte
Designation : Managing Director
DIN : 08481252

Name : Ajit Jain
Designation : Director
DIN : 07021106

Date : 24th April, 2023

Place : Pune

ANNEXURE IV ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy

Mission of the John Deere Financial India Private Limited is to create solutions that foster innovation through education, provide food for the rising global demand, and build economically strong neighbourhoods in the communities in which we do our business activities.

Company focuses on the power of citizenship while delivering impactful, integrated programs that can help the people we serve to unlock economic, social, and environmental value throughout their lives in ways that are sustainable for all.

In line with the overall vision statement of the Company, main focus of the Company while planning and implementing the CSR activities is towards empowering families, youths and smallholder farmers.

2. Composition of CSR Committee:

Composition of the Corporate Social Responsibility Committee as on 31st March, 2023 and summarized details of number of meetings held and attended by the members (who are part of the committee at the end of the financial year) during the year are as given below:

Sr. No.	Name of Director	Capacity	No. of meetings	
			Eligible to attend	Present
1	Abhay Dhokte	Executive Director	4	4
2	Pranjali Patil	Non-Executive Director	2	2
3	Jyoti Kumar Pandey	Non-Executive Independent Director	1	1

Details of change in composition of the committee during the year under review:

Name of Director	Capacity	Nature of Change (Resignation / Appointment)	Effective date	No. of meetings	
				Eligible to attend	Present
Manish Phalke	Non-Executive Director	Cessation	29-Sep-22	2	1
Patrick Edward Mack	Non-Executive Independent Director	Appointment	20-Oct-22	1	1
Patrick Edward Mack	Non-Executive Independent Director	Cessation	10-Mar-22	1	1
Jyoti Kumar Pandey	Non-Executive Independent Director	Appointment	10-Mar-23	1	1



During the period under review, four number of meetings of the Committee were held details of which are as under:

Date of committee meeting	Committee strength	No. of Members present
June 27, 2022	3	3
September 26, 2022	3	2
December 15, 2022	3	3
March 16, 2023	3	3

3. Web links where CSR Policy, Composition of CSR committee and CSR projects approved by the board are disclosed on the website of the company:

Link for CSR Policy of the Company:

https://www.deere.co.in/assets/pdfs/region-1/finance/india-financing/JohnDeere_Financial_India_Pvt_Ltd_CSR_Policy.pdf

Link for CSR Committee Composition: Composition of the committee is provided under the Business Structure policy (Internal Guidelines on Corporate Governance) of the Company which is available at below link. <https://www.deere.co.in/assets/pdfs/region-1/finance/india-financing/jdf002-business-structure-policy-nov-2022.pdf>

Link of CSR Projects Approved by the Board for FY 2022-23:

https://www.deere.com/assets/docs/region-1/our_company/citizenship/jdfipl-csr-annual-action-plan-fy-22-23.docx

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not Applicable.

5. Calculations for CSR expenditure obligation:

Sr.	Particulars	INR
A	Average net profit of the company as per section 135 (5)	918,263,199
B	2% of average net profit as per section 135(5)	18,365,264
C	Surplus arising out of CSR projects or programmes or activities of the previous financial years	0
D	Amount required to be set off for the financial year, if any.	466,646*
E	Total CSR obligation for the financial year [(b) + (c) – (d)]	17,898,617

*Set off in respect of FY 2020-21 (INR 163,931) 2021-22 (INR 302,715).

6. Expenditure on CSR Projects:

Sr.	Particulars	INR
A.	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	18,618,050
B.	Amount spent in Administrative Overheads	0
C.	Amount spent on Impact Assessment, if applicable	0
D.	Total amount spent for the Financial Year [(a)+(b)+(c)]	18,618,050



E. CSR amount spent or unspent for the financial year:

Total Amount Spent in the Financial Year. (Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).			
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
18,618,050	0	NA	NA	0	NA

F. Excess amount for set off, if any

Sr.	Particular	INR
1	2	3
(i)	a) 2% of average net profit of the company as per section 135(5)	18,365,264
	b) Less: Excess amount set off for the financial year	466,646
	c) Total CSR obligation for the financial year	17,898,617
(ii)	Total amount spent for the Financial Year	18,618,050
(iii)	Excess amount spent for the financial year [(ii)-(i) (c)]	719,432
(iv)	Surplus arising out of CSR projects or programmes or activities of the previous financial years, if any.	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	719,432

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Section 135(5), if any.		Amount remaining to be spent in succeeding financial years. (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of transfer		
1.	FY 2020-21						NIL	
2	FY 2021-22						NIL	
3	FY 2022-23						NIL	

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes	No
-----	-----------

No capital assets have been created or acquired through CSR amount spent in the financial year.

If Yes, enter the number of Capital assets created/ acquired:



Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
-	-	-	-	-	-	-	-

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

Not Applicable.

For and on behalf of the Board of Directors
John Deere Financial India Private Limited

ABHAY DINKAR DHOKTE
Digitally signed by ABHAY DINKAR DHOKTE
DN: cn=ABHAY DINKAR DHOKTE, c=IN, o=Personal, email=dhokteabhay@johndeere.com
Date: 2023.04.24 14:01:05 +05'30'

AJIT PRAKASH JAIN
Digitally signed by AJIT PRAKASH JAIN
DN: cn=AJIT PRAKASH JAIN, c=IN, o=Personal, email=jainajit@johndeere.com
Date: 2023.04.24 14:07:29 +05'30'

Name : Abhay Dhokte
Designation : Managing Director
DIN : 08481252

Name : Ajit Jain
Designation : Director
DIN : 07021106

Date : 24th April, 2023
Place : Pune



DVD & ASSOCIATES

Company Secretaries

+ 91 - 9823239397

devendracs@gmail.com

Pune | Mumbai | Kolhapur | Yavatmal | Dubai

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2023

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

To,
The Members
JOHN DEERE FINANCIAL INDIA PRIVATE LIMITED
Tower XIV, Cybercity, Magarpatta City,
Hadapsar, Pune 411013

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by M/s. JOHN DEERE FINANCIAL INDIA PRIVATE LIMITED (CIN: U65923PN2011PTC141149) (hereinafter called "the Company").

The Secretarial Audit was conducted for the period from 1st April 2022 to 31st March 2023, in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances of the Company and expressing our opinion thereon. We have been engaged as Secretarial Auditors of the Company to conduct the Audit of the Company to examine the compliance of Companies Act and the laws specifically listed below.

Based on our verification of the Company's 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 2023, 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 the Company for the financial year ended on 31st March 2023 according to the provisions of the following list of laws and regulations. The following are our observations on the same:

(i) The Companies Act, 2013 (the Act) and the Rules made there under: The Company has satisfactorily complied with the provisions of the Companies Act, 2013 and the Rules made there under and there are no discrepancies observed by us during the period under review.

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under: Not Applicable

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under:

The Company is a Debt listed private company the shares are in physical form, hence the Company was not required to comply with the provisions of The Depositories Act, 1996 and the Regulations and Bye-laws framed there under. In respect of Non-Convertible Debentures, the Company has complied with the provisions of The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.

(iv) The Company has satisfactorily complied with the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowings and there are no discrepancies observed by us during the period under review.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: **(Not applicable for the period under review)**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: During the year under review, The Company has satisfactorily complied with the provisions of The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: Not applicable for the period under review as the Company has issued non-convertible debentures during the year.

(d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 : **(Not applicable for the period under review)**

(e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: **(Not applicable for the period under review)**



(f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: The Company is a Debt listed private company and has satisfactorily complied with the provisions of The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

(g) 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; **(Not applicable for the period under review)**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: **(Not applicable for the period under review)**

(i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015: The Company has satisfactorily complied with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 as applicable to the Company. The Company has received notices from BSE in respect of the specific non compliances and the Company has replied to them satisfactorily.

I further report that, as per the opinion of the officers of the Company and information provided by them there are following Directions, Circulars and Guidelines prescribed by the Reserve Bank of India of India, inter alia, specifically applicable to the Company:

- a) The Reserve Bank of India Act, 1934 (Chapter IIIB), Sec 45 IA
- b) Master Direction – Know Your Customer (KYC) Direction, 2016 on Know Your Customer (KYC) Guidelines – Anti Money Laundering Standards (AML) – Prevention of Money Laundering Act, 2002
- c) Master Circular dated 1 July, 2015 on Fair Practices Code
- d) Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015
- e) Master Direction - Non-Banking Financial Company - Systemically Important Non- Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
- f) Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016
- g) Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016
- h) Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016;
- i) Master Direction - Information Technology Framework for the NBFC Sector
- j) Other Circulars/ Directions/ Guidelines issued by RBI in relation to Non-Banking Financial Companies, from time to time;



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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India. The Company has duly complied with the Secretarial Standards for the period under review.

(ii) The Listing Agreement entered into by the Company with BSE Limited, in respect of Non Convertible Debentures issued by the Company and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

During the period under review the Company has satisfactorily complied with the applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. which are mentioned above. The audit of compliance of these Acts, Rules, Regulations, Guidelines, Standards, etc. was carried out on test check basis as per the ICSI Auditing Standards CSAS-1 to CSAS-4.

We further report that:

There are adequate systems and processes in the company commensurate with its size & operation to monitor and ensure compliance with applicable laws including general laws, labour laws, competition law and environmental laws.

The Board of Directors of the Company is duly constituted as required under the provisions of the Companies Act, 2013.

Adequate notice is given to all directors about 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 for meaningful participation at the meeting. All decisions at Board Meetings were carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors.

We further report that during the audit period no major decisions, specific events/ actions have occurred which has a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the followings:

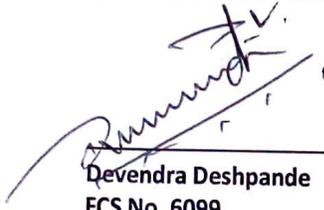
1. The Company has made an allotment of 35,000 Unsecured, rated, listed 8% Redeemable Non-Convertible Debentures of Rs. 1,00,000/- each on 12th January 2023 on Private Placement basis. The Company has received the approval of the listing for these securities.
2. The Company has obtained a Factoring Business Registration for carrying out the factoring business.
3. We further report that during the period under audit the Company has passed following special resolutions:
 - a. Appointment of Mr. Patrick E Mack (DIN: 06503377) as a Non-Executive, Independent Director of the Company
 - b. Appointment of Mr. Jyoti Kumar Pandey (DIN: 09580735) as a Non-Executive, Independent Director of the Company



- c. Approval to create, offer, issue and allot, from time to time on private placement basis listed or unlisted, unsecured, redeemable, non-convertible debentures ("NCDs") in one or more tranches or issuances, an amount not exceeding INR 3000 Crore (Rupees Three Thousand Crore only).

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

**DVD & ASSCIATES
COMPANY SECRETARIES**


Devendra Deshpande

FCS No. 6099

CP No. 6515

PR No. 1164/2021

Place: Pune

Date: 24.04.2023

UDIN: F006099E000172771



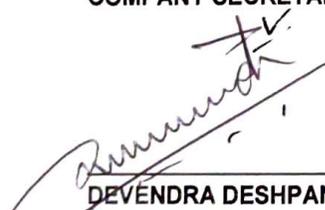
ANNEXURE A

To,
The Members
JOHN DEERE FINANCIAL INDIA PRIVATE LIMITED
Tower XIV, Cybercity, Magarpatta City,
Hadapsar, Pune 411013

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

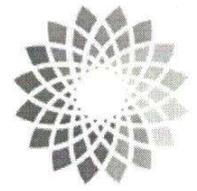
1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the 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 the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**FOR DVD & ASSOCIATES
COMPANY SECRETARIES**



DEVENDRA DESHPANDE
FCS No. 6099
CP No. 6515
PR No. 1164/2021
Place: Pune
Date: 24.04.2023





DVD & ASSOCIATES

Company Secretaries

+ 91 - 9823239397

devendracs@gmail.com

Pune | Mumbai | Kolhapur | Yavatmal | Dubai

**ANNUAL SECRETARIAL COMPLIANCE REPORT OF JOHN DEERE FINANCIAL INDIA
PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH, 2023.**

We, DVD & Associates, have examined:

- (a) all the documents and records made available to us and explanation provided John Deere Financial India Private Limited ("the Debt Listed Private Company"). The company is listed at BSE Limited.
- (b) the filings/ submissions made by the listed entity to the stock exchanges.
- (c) website of the listed entity is updated as per the provisions of Listing Regulations,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March, 2023 ("**Review Period**") in respect of compliance with the provisions of:

- I. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under;
- II. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued there under, have been examined:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not applicable during the review period]:**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **[Not applicable during the review period]:**
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **[Not applicable during the review period]:**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not applicable during the review period]**
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **[Not applicable during the review period]**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and based on the above examination, we hereby report that, during the Review Period:

- a. The Listed Entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under which are applicable for the Company except in respect of matters specified in **ANNEXURE A** to this report:
- b. The listed entity was not required to take any actions to comply with the observations made in previous reports as there were no observations in the previous Report:
- c. We further affirm on the basis of the information received and examination of various documents as required by the circulars issued by Stock Exchanges:



Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations/Remarks by PCS
1	<u>Secretarial Standards:</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)	Yes	NA
2	<u>Adoption and timely updation of the Policies:</u> <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/guidelines issued by SEBI 	Yes	NA
3	<u>Maintenance and disclosures on Website:</u> <ul style="list-style-type: none"> • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website 	Yes	NA
4	<u>Disqualification of Director:</u> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	NA
5	<u>To examine details related to Subsidiaries of listed entities:</u>	NA	The Company does not have

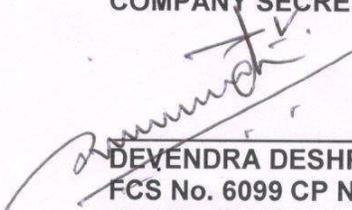


	(a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries		any subsidiary,.
6	<u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	NA
7	<u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	NA
8	<u>Related Party Transactions:</u> (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee	Yes	NA
9	<u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	NA
10	<u>Prohibition of Insider Trading:</u> The listed entity is in compliance with	Yes	NA



	Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015		
11	<p><u>Actions taken by SEBI or Stock Exchange(s), if any:</u></p> <p>The Company has received notices from BSE in respect of the specific non compliances and the Company has replied to them satisfactorily.</p> <p>No other actions have been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder. – No except the details of notices received and action taken thereon.</p>	Yes	The details of the notices received and the actions taken are mentioned in ANNEXURE A to this report.
12	<p><u>Additional Non-compliances, if any:</u></p> <p>No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc.</p>	Yes	NA

FOR DVD & ASSOCIATES
COMPANY SECRETARIES


DEVENDRA DESHPANDE
FCS No. 6099 CP No. 6515
PR NO: 1164/2021



Place: Pune
Date: 24.04.2023
UDIN: F006099E000172782

ANNEXURE A

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviation	Action Taken by	Type of Action	Details of Violation	Fine Amount (including GST)	Observations/ (Regulations/ Remarks of the Practicing Company Secretary	Management Response	Remark
01	SEBI (LODR) Regulations, 2015	Regulation 50(2)	NA	BSE	Penalize	Delay in furnishing intimation about meeting of shareholders or holders of non-convertible securities.	5900/-	Company paid the penalty amount.	As per company law notice has to be submitted to shareholders 21days prior to AGM. AGM was on 26th July 22, hence due date to submit notice was 5th July 22. We circulated the notice on 4th July 2022 and tried to submit on same day but were able to intimate the exchange on 5th July 2022. As per LODR interpretation notice has to go to exchange on same day when shared to Shareholders	The required penalty has been paid by the Company and therefore there is no further action required.
02	SEBI (LODR) Regulations, 2015	Regulation 53(2)	NA	BSE	Penalize	Non-submission of annual report within the period prescribed under this	25,960/-	Company paid the penalty amount.	The company had taken stand to submit Annual Report post AGM, however as per LODR we need to submit it on same day of sending notice i.e. 4th July 2022. However,	The required penalty has been paid by the Company and



B. K. Khare & Co.

Chartered Accountants

706/708, Sharda Chambers, New Marine
Lines, Mumbai – 400 020, India

INDEPENDENT AUDITORS' REPORT

To the members of John Deere Financial India Private Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of John Deere Financial India Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Impairment of loans to Customer

Charge to P&L – Rs.1,464.05 Lakhs, Outstanding provision as on 31st March 2022 – Rs.17,068.81 Lakhs.
Refer note no. 23 and 7 to the financial statements.

Key Audit Matters	How our audit addressed the Key Audit Matter
Subjective estimate Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using	Design/Controls We performed end to end process walkthroughs to identify the key systems, applications and

<p>expected credit loss (ECL) model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are</p> <ul style="list-style-type: none"> ○ Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. ○ Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default (“PD”), Loss Given Default (“LGD”), and Exposures at Default (“EAD”). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach. ○ Economic scenarios – Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them. ○ The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers, including off balance sheet elements, has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. <p>Disclosures</p> <p>The disclosures regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results. Further, disclosures to be provided as per RBI circulars with regards to nonperforming assets and provisions will also be an area of focus</p>	<p>controls used in the ECL processes. We tested the relevant manual (including spreadsheet controls), general IT and application controls over key systems used in the ECL process</p> <p>Key aspects of our controls testing involved the following:</p> <ul style="list-style-type: none"> ○ Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models. ○ Testing the ‘Governance Framework’ controls over validation, implementation and model monitoring in line with the RBI guidance. ○ Testing the design and operating effectiveness of the key controls over the application of the staging criteria. ○ Testing key controls relating to selection and implementation of material macroeconomic variables and the controls over the scenario selection and application of probability weights. ○ Testing management's controls over authorization of management overlays, if any. ○ Testing management's controls on compliance with Ind AS 109 disclosures related to ECL. ○ Testing key controls operating over the information technology in relation to loan management systems, including system access and system change management, program development and computer operations. <p>Involvement of specialists - we involved financial risk modelling specialists for the following:</p> <ul style="list-style-type: none"> ○ Evaluating the appropriateness of the Company's Ind AS 109 impairment methodologies and reasonableness of assumptions used (including management overlays). ○ The reasonableness of the Company's considerations of the impact of the
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	<p>current economic environment on the ECL determination.</p> <p>Test of details</p> <p>Key aspects of our testing included:</p> <ul style="list-style-type: none"> ○ Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied. ○ Model calculations testing through reperformance, where possible. <p>Assessing disclosures - We assessed whether the disclosures appropriately disclose and address the uncertainty which exists when determining the ECL. In addition, we assessed whether the disclosure of the key judgements and assumptions made was sufficiently clear.</p>
<p>Information Technology</p> <p>IT systems and controls</p> <p>The Company's key financial accounting and reporting processes are dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated. The Company uses Oracle IT application for managing its loan transactions and also for overall financial reporting.</p> <p>We have identified 'IT systems and Controls' as key audit matter because of the level of automation of the IT architecture and the risks associated with remote access of key applications at the year end.</p>	<p>We involved our IT Specialist to:</p> <ul style="list-style-type: none"> ○ Understand IT General Control (ITGC) i.e. Access Controls, Program/ System Change, Program Development, Computer Operations (i.e. Job Processing, Data/System Backup Incident Management) over key financial accounting and reporting systems, and supporting control systems (referred to as in-scope systems); ○ Test the General IT Controls for design and operating effectiveness for the audit period over the in-scope systems; ○ Understand IT application controls covering: user access and roles, segregation of duties; and reports, reconciliations and system processing. ○ Test the IT application controls for design and operating effectiveness for the audit period; ○ Test the controls to determine whether these controls remained unchanged during the audit period or were changed following the standard change management process;

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	<ul style="list-style-type: none">○ Understand IT infrastructure i.e. operating systems and databases supporting the in- scope systems;○ Test the controls over the IT infrastructure covering user access (including privilege users), data center and system change (e.g. patches).○ selectively recomputing interest calculations and maturity dates;○ Testing of the system generated reports and accounting entries manually for core financial reporting matters (i.e. verification around the computer system)○ Evaluating the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission. <p>Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and databases</p>
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Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report and the related annexures but does not include the Financial Statements and our Auditors' Report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial

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position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on other Legal and Regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, 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 except that the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India on a daily basis [refer note no. 26.45].
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity 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.

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- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
- (g) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, the provisions of Section 197 of the Act related to the managerial remuneration are not applicable.
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 26.01 to the Financial Statements
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 26.09 to the Financial Statements; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The dividend (declared/paid/declared and paid) during the year by the Company is in compliance with Section 123 of the Act.

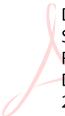
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- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 relating to audit trail feature of the Company's accounting software is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under Clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the current year.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Shirish
Suresh
Rahalkar



Digitally signed by
Shirish Suresh
Rahalkar
Date: 2023.04.24
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Shirish Rahalkar
Partner
Membership No. 111212
UDIN: 23111212BGVIXT8663
Mumbai, April 24, 2023

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **John Deere Financial India Private Limited** ("the Company") as of March 31, 2023 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

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internal financial control with reference to financial statements 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 unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B.K. Khare & Co.**
Chartered Accountants
Firm's Registration No. 105102W

**Shirish
Suresh
Rahalkar**



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Shirish Suresh Rahalkar
Date: 2023.04.24
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Shirish Rahalkar
Partner
Membership No. 111212
UDIN: 23111212BGVIXT8663
Mumbai, April 24, 2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the Financial Statements of John Deere Financial India Private Limited for the year ended March 31, 2023]

1. (a) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) According to the information and explanations given to us, the Company has maintained proper records showing full particulars of intangible assets.

(b) The property, plant and equipment are physically verified by the Company once in two years. The physical verification of property, plant and equipment was conducted in the previous financial year and accordingly no physical verification is required to be carried out in the current year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment.

(c) According to the information and explanations given to us, the Company does not have any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) and hence the provisions of this clause are not applicable.

(d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. The Company is a non-banking financial company engaged in lending activities. Accordingly, it does not hold any physical inventories. Thus, the reporting under Clause 3(ii) (a) & (b) of the Order is not applicable to the Company.
3. (a) The principal business of the Company is to give loans. Accordingly, reporting under this clause is not applicable to the company.

(b) According to the information and explanations given to us, the terms and conditions of the loans granted by the Company to its customers are not prejudicial to the Company's interest.

(c) & (d) The company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in the course of its periodic regulatory reporting. Refer note 26.17 to the Ind AS Financial Statements for summarized details of such loans/advances which are not repaid by

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borrowers as per stipulations as also details of reasonable steps taken by the Company for recovery thereof.

(e) The principal business of the company is to give loans. Accordingly, reporting under this clause is not applicable to the company.

(f) According to the information and explanations given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

4. According to the information and explanations given to us, the Company has not advanced any loans, given any guarantee or provided any security in connection with loans to any of its directors or to any person in whom the director is interested. Thus, the provisions of section 185 are not applicable to the company. Pursuant to the provisions of sub section 11 of section 186 of the Act, the company is exempted from provisions of section 186 of the Act, with respect to the loans given.
5. According to the information and explanation given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to section 76 or any other relevant provisions of the Act and the rules framed there under apply.
6. The Central Government has not prescribed the maintenance of cost records for any of the services provided by the company under section 148(1) of the Act. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.
7. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

(b) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at March 31, 2023, which have not been deposited with the appropriate authorities on account of any dispute. The statutory dues in respect of Income Taxes as at March 31, 2023, which have not been deposited with the appropriate authorities on account of a dispute, are as under:

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax	Disallowances as per intimation u/s 143(1)	2,76,19,576	A.Y. 2020-21	Commissioner of Income Tax (Appeals)

8. According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

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9. (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, the Company has not been declared a wilful defaulter by any bank or financial institution or any other lender till the date of our audit report.
- (c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has utilized the money raised by way of term loans, non-convertible debentures and commercial papers during the year for the purpose for which they were raised.
- (d) In our opinion and according to the information and explanations given to us and based on audit procedures performed by us, the funds raised on short term basis were not utilized for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. Accordingly, the reporting under Clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.
10. (a) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.
11. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management except those cases reported under Fraud Monitoring Report by the management to RBI. (Cash embezzlement of Rs. 24.34 lakhs; recovered Rs. 16.80 lakhs).
- (b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
12. According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii)(a) to (c) of the Order is not applicable to the Company.

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13. In our opinion and according to the information and explanations given to us, all the transactions with the related parties are in compliance with Section 177 and Section 188 of the Act, where applicable and the details of such transactions have been disclosed in the financial statements, as required by the applicable Indian Accounting Standard.
14. (a) In our opinion and according to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
(b) We have considered the Internal Audit reports of the Company issued till date for the period under audit.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding, or subsidiary company or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.
16. (a) In our opinion, the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained valid registration under the said section of the said Act.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) the Company is not a Core Investment Company ('CIC') as defined under the Regulations by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) and (d) of the Order is not applicable to the Company.
17. In our opinion and according to the information and explanations given to us, the Company has not incurred any cash losses in the current financial year as well as in the immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) of the Order is not applicable to the Company.
18. There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
20. (a) According to the information and explanations given to us, in respect of other than ongoing projects, the Company has no unspent amount that needs to be transferred to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the Act.

B. K. Khare & Co. Chartered Accountants

(b) According to the information and explanations given to us, in respect of ongoing projects, the Company has no unspent amount which needs to be transferred to a special account in compliance with sub-section (6) of Section 135 of the Act.

For **B.K. Khare & Co.**
Chartered Accountants
Firm's Registration No. 105102W

Shirish
Suresh
Rahalkar

Digitally signed by
Shirish Suresh
Rahalkar
Date: 2023.04.24
23:22:16 +05'30'

Shirish Rahalkar
Partner
Membership No. 111212
UDIN: 23111212BGVIXT8663
Mumbai, April 24, 2023

John Deere Financial India Private Limited
Balance Sheet as at March 31, 2023 Rs. in Lakhs

Particulars		Note No.	As at March 31, 2023	As at March 31, 2022
A	ASSETS			
1	Financial Assets			
	(a) Cash and cash equivalents	4	3,602.87	9,102.06
	(b) Bank balance other than (a) above	5	0.53	0.56
	(c) Receivables- Trade receivables	6	268.87	987.42
	(d) Loans	7	427,590.48	373,539.63
	(e) Other financial assets	8	41.95	67.68
	Total financial assets		431,504.69	383,697.35
2	Non-financial Assets			
	(a) Current tax asset (net)		680.12	1,253.75
	(b) Deferred tax assets (net)	26.11	5,816.45	5,447.56
	(c) Property, plant and equipment	9 (a)	396.45	298.04
	(d) Capital work-in-progress		-	-
	(e) Right of use assets	9 (b)	626.38	775.23
	(f) Other intangible assets	9 (c)	9.70	19.52
	(g) Other non financial assets	10	1,236.17	932.14
	Total non-financial assets		8,765.25	8,726.24
	Total assets		440,269.94	392,423.59
B	LIABILITIES AND EQUITY			
	Liabilities			
1	Financial liabilities			
	(a) Derivative financial Instruments	11	-	1,651.19
	(b) Payables	12		
	(i) Trade payables			
	-total outstanding dues of micro enterprises and small enterprises		-	-
	-total outstanding dues of creditors other than micro enterprises and small enterprises		4,019.44	3,614.33
	(c) Debt securities	13	137,409.36	132,492.47
	(d) Borrowings (Other than debt securities)	14	201,262.92	170,377.04
	(e) Lease liabilities		679.20	796.94
	(f) Other financial liabilities	15	891.37	794.44
	Total financial liabilities		344,262.28	309,726.41
2	Non-financial liabilities			
	(a) Provisions	16	764.79	706.06
	(b) Other Non financial liabilities	17	225.31	202.06
	Total non financial liabilities		990.10	908.12
3	EQUITY			
	(a) Equity share capital	18	53,590.00	53,590.00
	(b) Other equity	19	41,427.56	28,199.06
	Total equity		95,017.56	81,789.06
	Total liabilities and equity		440,269.94	392,423.59

Significant accounting policies 2
Notes to the financial statements 1-26.45
As per our report of even date attached

For BK Khare & Co
Chartered Accountants
Firm Reg. No. 105102W

Shirish Suresh Rahalkar
Digitally signed by Shirish Suresh Rahalkar
Date: 2023.04.24
23:15:29 +05'30'

Shirish Rahalkar
Partner
Membership No. 111212

For and on behalf of the Board of Directors
John Deere Financial India Private Limited
CIN: U65923PN2011PTC141149

ABHAY DINKAR DHOKTE
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Date: 2023.04.24 23:36:45
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Abhay Dhokte
Managing Director
(DIN 08481252)

AJIT PRAKASH JAIN
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DN: cn=AJIT PRAKASH JAIN, o=John Deere Financial India Private Limited, email=ajit.jain@jdfin.com

Ajit Jain
Director
(DIN 07021106)

ANKUSH PANDURANG LAWATE
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Date: 2023.04.24 22:45:14
DN: cn=ANKUSH PANDURANG LAWATE, o=John Deere Financial India Private Limited, email=ankush.lawate@jdfin.com

Ankush Lawate
Company Secretary
Place : Pune
Date : 24th April 2023

Girish Sivaramakrishnan
Digitally signed by Girish Sivaramakrishnan
Date: 2023.04.24 22:44:46
DN: cn=GIRISH SIVARAMAKRISHNAN, o=John Deere Financial India Private Limited, email=girish.sivaramakrishnan@jdfin.com

Girish Sivaramakrishnan
Chief Financial Officer

Place : Mumbai
Date : 24th April 2023

John Deere Financial India Private Limited
Statement of Profit and Loss for the year ended March 31, 2023

Rs. in Lakhs

Particulars		Note No.	Year ended March 31, 2023	Year ended March 31, 2022
I	Revenue from operations			
	(a) Interest income	20	61,491.66	56,893.61
	(b) Other operating income		635.44	470.28
	Total revenue from operations		62,127.10	57,363.89
II	Other income	21	1,629.59	1,145.89
III	Total Income (I+II)		63,756.69	58,509.78
IV	Expenses			
	(a) Finance cost	22	19,201.70	18,250.95
	(b) Net loss on fair value changes on financial instruments at FVTPL	26.15	(509.75)	375.78
	(c) Impairment on financial instruments	23	5,866.29	10,145.46
	(d) Employee benefits expense	24	6,566.45	5,708.55
	(e) Depreciation and amortization expense	9	388.78	293.18
	(f) Other expenses	25	12,958.01	9,224.11
V	Total expenses		44,471.48	43,998.03
VI	Profit before tax (III - V)		19,285.21	14,511.75
VII	Tax expense:			
	Current tax	26.11	5,270.06	5,180.14
	(Excess)/short provision for tax relating to prior year		57.80	(28.78)
	Deferred tax	26.11	(368.87)	(1,500.09)
VIII	Net profit after tax for the period (VI - VII)		14,326.22	10,860.48
IX	Other comprehensive income			
	(A) Items that will not be reclassified to profit or loss			
	(i) Remeasurement of Defined benefit liability/(asset)	26.04	(34.65)	(61.94)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	26.11	8.72	15.59
	Total Other Comprehensive Income/(Loss)		(25.93)	(46.35)
X	Total Comprehensive Income (VIII + IX)		14,300.29	10,814.13
IX	Earnings per equity share (face value of Rs.10 each)			
	Basic and Diluted (face value of Rs.10 each)	26.08	2.67	2.03

Significant accounting policies
Notes to the financial statements
As per our report of even date attached

2
1-26.45

For BK Khare & Co
Chartered Accountants
Firm Reg. No. 105102W
Shirish Suresh Rahalkar
Digitally signed by Shirish Suresh Rahalkar
Date: 2023.04.24 23:16:12 +05'30'

Shirish Rahalkar
Partner
Membership No. 111212

For and on behalf of the Board of Directors
John Deere Financial India Private Limited
CIN: U65923PN2011PTC141149

ABHAY DINKAR DHOKTE
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Abhay Dhokte
Managing Director
(DIN 08481252)

AJIT PRAKASH JAIN
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Ajit Jain
Director
(DIN 07021106)

ANKUSH PANDURANG LAWATE
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Ankush Lawate
Company Secretary

Girish Sivaramkrishnan
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Girish Sivaramkrishnan
Chief Financial Officer

Place : Mumbai
Date : 24th April 2023

Place : Pune
Date : 24th April 2023

John Deere Financial India Private Limited
Cash Flow Statement for the year ended March 31, 2023

Rs. in Lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
I. Operating Activities		
Profit before tax	19,285.21	14,511.75
Adjustments for:		
Depreciation and amortization	388.77	293.17
Interest Income on loans	(61,491.66)	(56,893.61)
Interest Income on fixed deposits	(21.86)	(32.29)
Finance cost	19,201.70	18,250.95
(Profit) / loss on sale of assets	(0.09)	1.48
Unrealized forex (gain)/ loss on borrowings	2,167.89	393.21
Unrealized forex loss/(gain) on derivative instrument	(1,651.19)	350.30
Impairment on financial instruments	5,866.29	10,145.46
	(16,254.94)	(12,979.58)
Cash inflow from interest on loans	60,745.56	55,764.65
Cash outflow towards finance cost	(19,383.14)	(18,207.98)
Cash Generated from Operation before working capital changes	25,107.48	24,577.09
Working capital changes		
Adjustments for :		
(Increase) / Decrease in Loans	(59,171.03)	(48,843.69)
(Increase) / Decrease in Other Financial Assets	25.78	2.53
(Increase) / Decrease in Non-Financial Assets	(304.03)	(212.37)
(Increase) / Decrease in Trade Receivables	718.56	(468.81)
Increase / (Decrease) in Provision	24.09	71.25
Increase / (Decrease) in Trade and Other payables	405.11	(1,636.30)
Increase / (Decrease) in Other Financial Liabilities	96.93	84.36
Increase / (Decrease) in Other Non- Financial Liabilities	23.26	(40.13)
	(33,073.84)	(26,466.07)
Taxes paid	(4,745.52)	(5,998.12)
Net Cash used in Operating activities (A)	(37,819.36)	(32,464.19)
II. Investing activities		
Purchase of fixed assets and intangible assets	(271.38)	(134.69)
Interest received	21.83	32.24
Net cash used in Investing activities (B)	(249.55)	(102.45)
III. Financing activities		
Proceeds from Borrowings (other than debt securities)	156,000.00	134,500.00
Proceeds from Debt Securities	55,074.91	89,556.12
Repayment of Borrowings (other than debt securities)	(138,258.60)	(83,295.00)
Repayment of Debt Securities	(50,000.00)	(80,000.00)
Proceeds from Inter corporate deposits	81,500.00	28,000.00
Repayment of Inter corporate deposits	(70,500.00)	(52,900.00)
Repayment of lease liabilities	(174.80)	(150.26)
Dividend Paid	(1,071.80)	(535.90)
Net cash generated from Financing activities (C)	32,569.71	35,174.96
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(5,499.19)	2,608.33
Cash and cash equivalents at the beginning of the period	9,102.06	6,493.73
Cash and cash equivalents at the end of the period*	3,602.87	9,102.06
Notes:		
* Comprises:		
(a) Remittance in transit (Refer note 4)	87.12	59.57
(b) Balances with bank (Refer note 4)	3,515.75	9,042.49
	3,602.87	9,102.06

As per our report of even date attached

For BK Khare & Co

Chartered Accountants

Firm Reg. No. 105102W

Shirish Suresh
 Rahalkar
 Digitally signed by Shirish Suresh Rahalkar
 Date: 2023.04.24 23:16:40 +05'30'

Shirish Rahalkar

Partner

Membership No. 111212

For and on behalf of the Board of Directors

John Deere Financial India Private Limited

CIN: U65923PN2011PTC141149

ABHAY DINKAR DHOKTE
 Digitally signed by ABHAY DINKAR DHOKTE
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Abhay Dhokte
 Managing Director
 (DIN 08481252)

ANKUSH PANDURANG LAWATE
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 DN: cn=ANKUSH PANDURANG LAWATE, o=John Deere Financial India Private Limited, email=ankush.lawate@jdfinindia.com, Date: 2023.04.24 22:47:38 +05'30'

Ankush Lawate
 Company Secretary
 Place : Pune
 Date : 24th April 2023

AJIT PRAKASH JAIN
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 DN: cn=AJIT PRAKASH JAIN, o=John Deere Financial India Private Limited, email=ajit.jain@jdfinindia.com, Date: 2023.04.24 22:44:09 +05'30'

Ajit Jain
 Director
 (DIN 07021106)

Girish Sivaramkrishnan
 Digitally signed by Girish Sivaramkrishnan
 DN: cn=Girish Sivaramkrishnan, o=John Deere Financial India Private Limited, email=girish.sivaramkrishnan@jdfinindia.com, Date: 2023.04.24 22:51:07 +05'30'

Girish Sivaramkrishnan
 Chief Financial Officer

Place : Mumbai
 Date : 24th April 2023

John Deere Financial India Private Limited
Statement of Changes in Equity for year ended 31 March 2023

a. Equity share capital

Particulars	Rs.
Balance at March 31, 2021	53,590.00
Changes in equity share capital during the year	-
Balance at March 31, 2022	53,590.00
Changes in equity share capital during the year	-
Balance at March 31, 2023	53,590.00

b. Other equity

Particulars	Reserves and Surplus			Items of OCI	Total other equity
	Securities Premium	Statutory Reserve Account	Retained earnings	Remeasurement of net defined benefit plans	
Balance at April 01, 2021	2,224.00	3,221.88	12,466.48	8.48	17,920.83
Profit for the year	-	-	10,860.48	-	10,860.48
Other comprehensive income for the year, net of income tax	-	-	-	(46.35)	(46.35)
Total comprehensive income for the year	-	-	10,860.48	(46.35)	10,814.13
Transfer to Statutory Reserve	-	2,162.83	(2,162.83)	-	-
Dividend paid during the year	-	-	(535.90)	-	(535.90)
Balance at March 31, 2022	2,224.00	5,384.70	20,628.24	(37.87)	28,199.06
Profit for the year	-	-	14,326.22	-	14,326.22
Other comprehensive income for the year, net of income tax	-	-	-	(25.93)	(25.93)
Total comprehensive income for the year	-	-	14,326.22	(25.93)	14,300.29
Premium on issue of Equity Shares	-	-	-	-	-
Transfer to Statutory Reserve	-	2,860.06	(2,860.06)	-	-
Dividend paid during the year	-	-	(1,071.80)	-	(1,071.80)
Balance at March 31, 2023	2,224.00	8,244.75	31,022.60	(63.79)	41,427.56

For BK Khare & Co

Chartered Accountants
 Firm Reg. No. 105102W

Shirish Suresh Rahalkar
 Digitally signed by Shirish Suresh Rahalkar
 Date: 2023.04.24 23:17:02 +05'30'

Shirish Rahalkar
 Partner
 Membership No. 111212

Place : Mumbai
 Date : 24th April 2023

For and on behalf of the Board of Directors

John Deere Financial India Private Limited
 CIN: U65923PN2011PTC141149

ABHAY DINKAR DHOKTE
 Digitally signed by ABHAY DINKAR DHOKTE
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Abhay Dhokte
 Managing Director
 (DIN 08481252)

ANKUSH PANDURANG LAWATE
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Ankush Lawate
 Company Secretary
 Place : Pune
 Date : 24th April 2023

AJIT PRAKASH JAIN
 Digitally signed by AJIT PRAKASH JAIN
 DN: cn=AJIT PRAKASH JAIN, o=JA, ou=Personnel, email=ajit@jdfinindia.com, date=2023.04.24 22:45:52 +05'30'

Ajit Jain
 Director
 (DIN 07021106)

Girish Sivaramakrishnan
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Girish Sivaramakrishnan
 Chief Financial Officer

John Deere Financial India Private Limited
Notes forming part of the Financial Statements

1. Corporate Information

John Deere Financial India Private Limited (the Company) was incorporated on 21 October 2011. The Company is registered with the Reserve Bank of India (RBI) as a Non-deposit taking Non-Banking Financial Company ('NBFC') as defined under section 45-IA of the Reserve Bank of India (RBI) Act, 1934, holding a Certificate of Registration from the Reserve Bank of India ("RBI") dated 6 September, 2012.

The principal business of the Company is providing finance for the purchase of farm equipment manufactured, sold and traded by John Deere India Private Limited and for the construction equipment manufactured and sold by Wirtgen India Private Limited.

John Deere Financial India Private Limited is a Systemically Important Non- Deposit taking Non-Banking Financial Company with effect from June 2016, vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated 01 September 2016 updated as on 29th December 2022 issued by the Reserve Bank of India (RBI).

The company is classified as middle layer NBFC as per the Scale Based Regulation issued by the Reserve Bank of India vide circular No. circular DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021.

The registered office of the Company is located at Tower 14, Magarpatta City, Hadapsar, Pune India.

2. Significant Accounting Policies

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

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

2.2 Basis for measurement of financial statements:

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including derivative financial instruments) that are measured at fair value at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

2.3 Presentation of financial statements

The Balance Sheet, Statement of Profit and Loss and Statement of changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 (“the Act”) The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS. Amounts in the financial statements are presented in Indian Rupees in Lakh.

2.4 Use of Estimates

The preparation of the financial statements, in conformity with IND AS, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liability) at the date of the financial statements and the reported amounts of revenues and expenses during the year. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates and the difference between actual results are recognized in the periods in which the estimate is revised, or the results are known/materialize.

In particular, information about significant areas of estimation that have most significant effect on amounts recognized in the financial statements are given below:

- i. Note 2.5 – Fair value measurement
- ii. Note 2.9 – impairment of financial instruments based on expected credit losses
- iii. Note 2.15 - measurement of assets and obligations for defined benefit plans
- iv. Note 2.19 - recognition of deferred tax assets
- v. Note 2.20 – measurement of provision and contingencies
- vi. Note 26.01 – Disclosure of contingent liabilities

2.5 Measurement of Fair Values

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- i. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- ii. Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- iii. Level 3 inputs are unobservable inputs for the asset or liability.

2.6 Revenue Recognition

Interest income is recognized using the effective interest method. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the gross carrying amount of the financial asset. The calculation of the EIR includes all fees paid or received that are incremental and directly attributable to the acquisition or issue of a financial asset.

John Deere Financial India Private Limited
Notes forming part of the Financial Statements

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortized cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortized cost of the credit-impaired financial assets (i.e. at the amortized cost of the financial asset after adjusting for any expected credit loss allowance (ECLs)). The Company assesses the collectability of the interest on credit impaired assets at each reporting date. Based on the outcome of such assessment, the Interest income accrued on credit impaired financial assets are either accounted for as income or written off as per the write off policy of the Company.

Management fees income are the charges for the services provided during the year on cost plus mark up as per the service agreement.

2.7 Finance Cost

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortized cost. Financial instruments include bank term loans, non-convertible debentures, commercial papers, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

2.8 Leases:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

According to ITFG issued by ICAI, where lease agreement can be extended by lessee only with the consent of lessor, the lessee does not have the right to use the asset beyond the non-cancellable period. Based on which the Company restricts lease term to Agreement period and cannot extend it further to reasonably certain period for which there is no agreement as of now.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract.

Company as a lessee

Operating leases

The Company recognized a right to use asset for all leases. Lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognized at its carrying amount as if the standard had been applied for remaining period of the lease.,

2.9 Financial Instruments:

Financial assets and financial liabilities are recognized in the Company's balance sheet on settlement date when the Company becomes a party to the contractual provisions of the instrument.

Recognized financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in the Statement of Profit or Loss.

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

- i. If fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognized in profit or loss on initial recognition (i.e. day 1 profit or loss);
- ii. In all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to profit or loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would consider when pricing the asset or liability.

Financial assets

Classification

On initial recognition, depending on the Company's business model for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at;

- i. Amortized cost;
- ii. Fair value through other comprehensive income (FVTOCI); or
- iii. Fair value through profit and loss (FVTPL).

Initial recognition and measurement

Financial asset is recognized on trade date initially at cost of acquisition net of transaction cost and income that is attributable to the acquisition of the financial asset. Cost equates the fair value on acquisition. Financial asset measured at amortized cost and Financial measured at fair value through other comprehensive income is presented at gross carrying value in the Financial statements.

Assessment of Business model

The company is required to classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- i. The entity's business model for managing the financial assets and
- ii. The contractual cash flow characteristics of the financial asset.

An assessment of the applicable business model for managing financial assets was carried out for the classification of a financial asset. The company is primarily in the business of providing retail loans to its end customers. The business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

A financial asset is measured at amortized cost if both of the following conditions are met:

- i. business model objective is to hold financial assets in order to collect contractual cash flows and
- ii. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount.

As the company is in the business of retail loans the financial asset gives rise on cash flows that are solely payments of interest and principal. The company's business model refers to how the company manages its financial assets in order to generate cash flows. That is, the business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

Financial asset at amortized cost

Amortized cost of financial asset is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR (Effective Interest Rates). For the purpose of SPPI (Solely payment of Principal and Interest) test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Contractual cash flows that do not introduce exposure to risks or volatility in the contractual cash flows on account of changes such as equity prices or commodity prices and are related to a basic lending arrangement, do give rise to SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form. The EIR amortization is included in finance income in the profit and loss statement. The losses arising from impairment are recognized in the profit and loss statement.

Accordingly, the Company measures bank balances, loans, trade receivables and other financial instruments at amortized cost.

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The 'amortized cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

Unamortized transaction cost and incomes and impairment allowance on Financial asset is included in the under the head "Loans". The 'gross carrying amount of a financial asset' is the amortized cost of a financial asset before adjusting for any expected credit loss allowance.

Financial asset at fair value through Other Comprehensive Income (FVTOCI)

After initial measurement, basis assessment of the business model as "Contractual cash flows of Asset collected through hold and sell model and SPPI", such financial assets are classified to be measured at FVOCI. Contractual cash flows that do introduce exposure to risks or volatility in the contractual cash flows due to changes such as equity prices or commodity prices and are unrelated to a basic lending arrangement, do not give rise to SPPI.

The EIR amortization is included in finance income in the profit and loss statement. The losses arising from impairment are recognized in the profit and loss statement. The carrying value of the financial asset is fair valued by discounting the contractual cash flows over contractual tenure basis the internal rate of return of a new similar asset originated in the month of reporting and such unrealized gain/loss is recorded in other comprehensive income (OCI). Where such a similar product is not originated in the month of reporting, the closest product origination is used as a proxy. Upon sale of the financial asset, actual the gain/loss realized is recorded in the profit and loss statement and the unrealized/gain losses recorded in OCI are recycled to the statement of profit and loss.

Financial asset at fair value through profit and loss (FVTPL)

Financial asset, which does not meet the criteria for categorization at amortized cost or FVOCI, is classified as at FVTPL. In addition, the Company may elect to classify a financial asset, which otherwise meets amortized cost or FVOCI criteria, as FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Reclassifications within classes of financial assets

A change in the business model would lead to a prospective re-classification of the financial asset and accordingly the measurement principles applicable to the new classification will be applied. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

Impairment of Financial Asset

Impairment Approach

In accordance with Ind AS 109, an entity shall recognize a loss allowance for expected credit losses on a financial asset that is measured for a contract asset or a loan commitment and a financial guarantee contract to which the impairment requirements apply.

An entity shall measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

Where the credit risk has not increased significantly, the company shall measure the loss allowance equal to 12- month expected credit losses.

Adoption of ECL

John Deere Financial has adopted expected credit losses on its portfolio based on the forward-looking information and historical data for all its financial assets.

The measurement of ECL is calculated using three main components:

- i. Probability of default (PD)
- ii. Loss given default (LGD) and
- iii. Exposure at default (EAD).

The stage defined by the company are as given below

- i. Stage 1: 0-29 days
- ii. Stage 2: 30-90 days
- iii. Stage 3: Above 90 days

The measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions and reasonable and supportable forecasts. The measurement of ECL involves increased complexity and judgement, including estimation of PDs, LGD, a range of unbiased future economic scenarios, estimation of expected lives, and estimation of EAD and assessing significant increases in credit risk.

Assessment of significant increase in credit risk:

The credit risk on a financial asset of the Company are assumed to have increased significantly since initial recognition when contractual payments are more than 30 days past due. Accordingly, the financial assets shall be classified as Stage 2, based on the quantitative as well as qualitative factors. This analysis includes the identification and calibration of relationships between changes in default rates and changes in key macro-economic factors.

Key macro-economic indicators include industry specific macro economic factors that would determine or have a better correlation to the default rate.

Techniques for determining LGD:

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LGD is the magnitude of the likely loss if there is a default. The Company estimates LGD parameters based on the history of recovery rates against defaulted counterparties. The LGD models consider the cash flow received, assets received in lieu of settlement of loan and collateral available for subsequent recovery that is integral to the financial asset.

As Company has observed challenges in the resolution of defaulted accounts with aging more than six months and accordingly a higher LGD estimate is applied.

The Company has in recently entered into the business of financing of Road Construction equipment's and hence there is limited historical data available to determine the quality of portfolio. Currently proxy LGD of Agricultural equipment is used.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Statement of profit and loss. Any gain or loss on derecognition is also recognized in Statement of profit and loss.

Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognized on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

A financial liability is derecognized when the obligation in respect of the liability is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognized in Statement of profit and loss.

2.10 Derivative financial instruments

The Company enters into derivative financial instruments, primarily foreign exchange forward contracts, to manage its borrowing exposure to foreign exchange. Derivatives are initially recognized at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain/loss is recognized in Statement of profit and loss.

2.11 Repossessed assets

In the normal course of business, the Company repossess assets in its loan portfolio to settle outstanding debt and does not change ownership title. Any surplus funds are returned to the

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customers/ obligors. As a result of this practice, the assets / properties under legal repossession processes are not separately recorded on the balance sheet.

2.12 Write offs

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor/ borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in Statement of profit and loss.

2.13 Property, plant and equipment and Other intangible assets:

Property, plant and equipment

Tangible

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation/amortization less accumulated impairment, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Capital Work-in-progress:

Capital work-in-progress for production, supply of administrative purposes is carried at cost less accumulated impairment loss, if any, until construction and installation are complete, and the asset is ready for its intended use.

Depreciation and Amortization:

Depreciation is recognized (other than on capital work-in-progress) on a straight-line basis over the estimated useful lives of assets. Depreciation on assets acquired/ purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition till the date of sale/retirement. The estimated useful lives of assets are stated below:

Particulars	Useful Life (in years)
Furniture and Fixtures	8
Computer and Networking Equipment	3 – 5
Software	3

**Estimated useful life of assets consistent with the useful life specified in the Schedule II of the Companies Act, 2013.*

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Fixed assets individually costing Rs. 10,000 or less depreciated fully in the year of acquisition except tablets.

The economic useful lives of assets are assessed based on a technical evaluation, taking into account the nature of assets, the estimated usage of assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, maintenance history, etc. The estimated useful life is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

Where the cost of part of the asset is significant to the total cost of the assets and the useful life of that part is different from the useful of the remaining asset, useful life of that significant part is determined separately. Depreciation of such significant part, if any, is based on the useful life of that part.

Impairment of fixed assets

At the end of each year, the management reviews the carrying values of assets to determine whether there is any indication that those assets have suffered impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent, if any, of the impairment loss. Where it is not possible to estimate the recoverable amount of individual asset, the management estimates the recoverable amount of the cash generating unit to which the asset belongs. Intangible assets are also tested for impairment every financial year even if there is no indication that the asset is impaired.

If the recoverable amount of an asset of cash generating unit is estimated to be less than the carrying amount, the carrying amount of the asset or the cash generating unit is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset of cash generating unit is increased to the revised estimate of a recoverable amount, not exceeding the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash generating unit in prior years. A reversal of impairment loss is recognized immediately in the Statement of Profit and Loss.

Derecognition of assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, determined as the difference between the sales proceeds and the carrying amount of the asset, is recognized in the Statement of Profit or Loss.

Intangible assets:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization. Amortization is recognized on a straight-line basis over their estimated useful lives of 3 years, which reflects the pattern in which the asset's economic benefits are consumed. The estimated useful life, the amortization method and the amortization period is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

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An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the statement of profit and loss when the asset is derecognized.

2.14 Cash and cash equivalents:

Cash and cash equivalents comprise cash in hand and unencumbered, highly liquid bank and other balances (with original maturity of three months or less) that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.15 Employee Benefits:

Short-term Employee Benefits:

A liability is recognized for benefits accruing to employees in respect of wages and salaries in the period in which the related service is rendered at the undiscounted amount of the benefit that is expected to be paid in exchange for that service.

Other long-term employee benefits

The liability for earned leave is not expected to be settled wholly within twelve months after the end of the period in which the employees render the related services. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method with actuarial valuations being carried out at each Balance Sheet date. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in Statement of profit and loss.

Share based payment transactions

Cash settled share based payments: The fair value of the amount payable to employees in respect of Stock Options and Stock Appreciation Rights (SARS) which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period that the employees unconditionally become entitled to the payment. The liability is re-measured at each reporting date and at settlement date based on the fair value of the stock. Any changes in the fair value of the liability are recognized in the Statement of Profit and Loss.

Equity settled share-based payments: The shares (net of tax) are credited into the brokerage account of the respective employee. The liability of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period.

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Post-employment benefits

i. Defined contribution plans

Payments to defined contribution retirement benefit plans are recognized as an expense when the employees have rendered the service entitling them to the contribution.

Provident fund: The employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions as specified under the law are made to the provident fund and pension fund administered by the Regional Provident Fund Commissioner. The Company recognizes such contributions as an expense when incurred.

ii. Defined benefit plans

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to Statement of profit and loss. Past service cost is recognized in the Statement of Profit and Loss in the period of plan amendment.

Defined benefit costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in Statement of profit and loss.

The defined benefit obligation recognized in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Gratuity:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15/26 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity fund established as trust. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation carried out at each Balance Sheet date using the projected unit credit method.

2.16 Foreign currencies transactions:

Transactions in currencies other than the Company's functional currency are recognized at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities

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denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date. Non-monetary assets and liabilities denominated in a foreign currency are translated using the exchange rate prevailing at the date of initial recognition (in case measured at historical cost) or at the rate prevailing at the date when the fair value is determined (in case measured at fair value). Foreign exchange differences are recognized in Statement of profit and loss in the period in which they arise except for exchange difference on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

2.17 Operating Segments

The primary business of the company is financing of retail loans to end customers for purchase of equipment financed by its parent company. This forms the major part of the income and business performed by the company. The Company also provides services to its overseas units; however, it is not of significant value.

2.18 Earnings per share:

The Company reports basic and diluted earnings per share (EPS) in accordance with Ind AS 36 "Earnings per Share". Basic EPS is computed by dividing the net profit and loss attributable to ordinary equity holders of the parent entity by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit and loss attributable to ordinary equity holders of the parent entity by weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential ordinary shares (except where the results are anti-dilutive).

2.19 Taxation:

Income tax expense represents the sum of tax currently payable and deferred tax. The Company elected to exercise the option permitted under Section 115BAA on the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019 in FY 2019-20. Accordingly, the Company has recognized Provision for Income tax for the year ended March 31, 2022 and remeasured its deferred tax assets /liabilities basis the rate prescribed in the said section.

Current tax

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of Statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using the tax rates that have been enacted or substantially enacted by the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the Balance Sheet after offsetting advance tax paid and income tax provision arising in the same tax

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jurisdiction and where the relevant tax paying units intends to settle the asset and liability on net basis.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax laws (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

2.20 Provisions and Contingent liabilities:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the

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cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

3. Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

i. Ind AS 1 – Material accounting policies -¹ The amendments mainly related to shifting of disclosure of erstwhile "significant accounting policies" in the notes to the financial statements to material accounting policy information requiring companies to reframe their accounting policies to make them more "entity specific. This amendment aligns with the "material" concept already required under International Financial Reporting Standards (IFRS).

ii. Ind AS 8 – Definition of accounting estimates -¹ The amendments specify definition of 'change in accounting estimate' replaced with the definition of 'accounting estimates'.

iii. Ind AS 12 – Annual Improvements to Ind AS (2021) -¹ The amendment clarifies that in cases of transactions where equal amounts of assets and liabilities are recognised on initial recognition, the initial recognition exemption does not apply. Also, If a company has not yet recognised deferred tax asset and deferred tax liability on right-of-use assets and lease liabilities or has recognised deferred tax asset or deferred tax liability on net basis, that company shall have to recognise deferred tax assets and deferred tax liabilities on gross basis based on the carrying amount of right-of-use assets and lease liabilities existing at the beginning of 1 April 2022.

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Note 4: Cash and cash equivalents

Rs. in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Balances with banks	3,515.75	9,042.49
(b) Remittance in transit	87.12	59.57
Total	3,602.87	9,102.06

Note 5: Bank balances other than cash and cash equivalents

Rs. in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Deposit with bank	0.53	0.56
Total	0.53	0.56

Note 6 : Receivables - Trade Receivables

Rs. in Lakhs

Particulars	Outstanding from the due date of payment as at March 31, 2023					
	< 6 months	6months- 1Year	1-2 years	2 - 3 years	>3 years	Total
Undisputed						
Trade receivables- considered Good	268.87	-	-	-	-	268.87
Trade receivables-which have significate increase in cr	-	-	-	-	-	-
Trade receivables-Credit Impaired	-	-	-	-	-	-
Disputed						
Trade receivables- considered Good	-	-	-	-	-	-
Trade receivables-which have significate increase in cr	-	-	-	-	-	-
Trade receivables-Credit Impaired	-	-	-	-	-	-
unbilled						
Total Receivables	268.87	-	-	-	-	268.87

Particulars	Outstanding from the due date of payment as at March 31, 2022					
	< 6 months	6months- 1Year	1-2 years	2 - 3 years	>3 years	Total
Undisputed						
Trade receivables- considered Good	987.42	-	-	-	-	987.42
Trade receivables-which have significate increase in credit risk	-	-	-	-	-	-
Trade receivables-Credit Impaired	-	-	-	-	-	-
Disputed						
Trade receivables- considered Good	-	-	-	-	-	-
Trade receivables-which have significate increase in credit risk	-	-	-	-	-	-
Trade receivables-Credit Impaired	-	-	-	-	-	-
unbilled - Not Due						
Total Receivables	987.42	-	-	-	-	987.42

Note 7: Loans

Rs. in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Term Loans at Amortized cost within India		
Secured Term Loans to customers under Financing	433,805.84	379,037.07
Interest accrued but not due on loans to customers	10,853.44	10,107.33
Total (Gross)	444,659.28	389,144.40
Less : Impairment loss allowance	(17,068.81)	(15,604.77)
Total	427,590.47	373,539.63

Note 8: Other financial assets

Rs. in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits	41.95	67.68
Total	41.95	67.68

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Notes forming part of the financial statements

Note 9 (a): Property, plant and equipment

			Rs. in Lakhs
Description	Computers and Networking Equipment	Furniture and Fittings	Total
Cost			
Balance as at April 1, 2022	610.31	36.19	646.50
Additions	273.31	0.00	273.31
Disposals	42.53	0.00	42.53
Balance as at March 31, 2023	841.09	36.19	877.28
Accumulated depreciation			
Balance as at April 1, 2022	331.07	17.37	348.44
Depreciation for the year	167.47	5.58	173.05
Eliminated on disposal of assets	40.66	0.00	40.66
Balance as at March 31, 2023	457.88	22.95	480.83
Net carrying amount as on March 31, 2023	383.21	13.24	396.45

			Rs. in Lakhs
Description	Computers and Networking Equipment	Furniture and Fittings	Total
Cost			
Balance as at April 1, 2021	499.54	36.19	535.73
Additions	131.93	0.00	131.93
Disposals	21.16	0.00	21.16
Balance as at March 31, 2022	610.31	36.19	646.50
Accumulated depreciation			
Balance as at April 1, 2021	215.94	16.95	232.89
Depreciation for the year	134.00	0.42	134.42
Eliminated on disposal of assets	18.86	0.00	18.86
Balance as at March 31, 2022	331.08	17.37	348.45
Net carrying amount as on March 31, 2022	279.24	18.82	298.04

Note 9 (b): Right of Use Asset

Rs. in Lakhs

Description	Total
Cost	
Balance as at April 1, 2022	1,189.01
Additions	258.29
Disposals	555.84
Balance as at March 31, 2023	891.46
Accumulated depreciation	
Balance as at April 1, 2022	413.78
Depreciation for the year	205.90
Eliminated on disposal of assets	354.60
Balance as at March 31, 2023	265.08
Net carrying amount as on March 31, 2023	626.38

Rs. in Lakhs

Description	Total
Cost	
Balance as at April 1, 2021	496.67
Additions	692.34
Disposals	-
Balance as at March 31, 2022	1,189.01
Accumulated depreciation	
Balance as at April 1, 2021	264.08
Depreciation for the year	149.70
Eliminated on disposal of assets	-
Balance as at March 31, 2022	413.78
Net carrying amount as on March 31, 2022	775.23

Note 9 (c): Intangible assets

Description	Software	Total
Cost		
Balance as at April 1, 2022	29.47	25.57
Additions	-	-
Disposals	-	-
Balance as at March 31, 2023	29.47	29.47
Accumulated depreciation		
Balance as at April 1, 2022	9.95	9.95
Depreciation for the year	9.82	9.82
Disposals	-	-
Balance as at March 31, 2023	19.77	19.77
Net carrying amount as on March 31, 2023	9.70	9.70

Description	Software	Total
Cost		
Balance as at April 1, 2021	25.57	25.57
Additions	3.90	3.90
Disposals	-	-
Balance as at March 31, 2022	29.47	29.47
Accumulated depreciation		
Balance as at April 1, 2021	0.71	0.71
Depreciation for the year	9.24	9.24
Disposals	-	-
Balance as at March 31, 2022	9.95	9.95
Net carrying amount as on March 31, 2022	19.52	19.52

Note:

The company has not taken any asset on finance lease and has not given any assets on operating lease.

Note 10: Other non-financial assets-unsecured considered good

Rs. in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Balances with Government authorities-		
(i) GST credit receivable	230.83	206.98
(ii) GST refund on export services	638.41	386.34
(b) Prepaid expenses	6.83	1.52
(c) Advance to suppliers	266.53	281.49
(d) Employee advances	93.57	55.81
Total	1,236.17	932.14

Note:

No advances are due from directors or other officers of the company either severally or jointly with any other person. Nor any advances are due from firms or private companies respectively in which any director is a partner, a director or a member.

John Deere Financial India Private Limited

Notes forming part of the financial statements

Note 11 : Derivative financial Instrument

Rs. in Lakhs

Particulars	Rs. in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Foreign currency forward Contract not designated in hedge accounting relationship	0.00	1,651.19
Total	0.00	1,651.19

Note 12: Trade Payables

Rs. in Lakhs

Particulars	Outstanding for the following periods from the due date of Payment as at March 31, 2023				
	Less than 1 Year	1-2 years	2 - 3 years	More than 3 years	Total
Undisputed					
MSME	-	-	-	-	-
Others	3,969.88	-	49.56	-	4,019.44
Disputed					
MSME	-	-	-	-	-
Others	-	-	-	-	-
Unbilled Due *	-	-	-	-	-
Total	3,969.88	-	49.56	-	4,019.44

Particulars	Outstanding for the following periods from the due date of Payment as at March 31, 2022				
	Less than 1 Year	1-2 years	2 - 3 years	More than 3 years	Total
Undisputed					
MSME	-	-	-	-	-
Others	3,423.83	181.50	-	9.00	3,614.33
Disputed					
MSME	-	-	-	-	-
Others	-	-	-	-	-
Unbilled Due *	-	-	-	-	-
Total	3,423.83	181.50	-	9.00	3,614.33

Note 13 : Debt Securities

Rs. in Lakhs

Particulars	Rs. in Lakhs	
	As at March 31, 2023	As at March 31, 2022
At amortized cost		
Unsecured		
(a) Privately placed non-convertible debentures	117,584.41	122,572.39
(b) Commercial papers (net of unamortized discounting charges)	19,824.94	9,920.08
Total (a+b)	137,409.35	132,492.47
Debt securities in India	137,409.35	132,492.47
Debt securities outside India	-	-
Total Debt securities	137,409.35	132,492.47

John Deere Financial India Private Limited
Particulars of Privately Placed Unsecured Non-Convertible Debentures ("NCDs")

Description of NCDs	Number of NCDs	Rs. in Lakhs	Redemption Dat
As at March 31, 2023			
7.1% Non-Convertible Debentures (Privately Placed)	1,000	10,000	1-Jun-23
6.4% Non-Convertible Debentures (Privately Placed)	3,000	30,000	20-Jun-25
6.35% Non-Convertible Debentures (Privately Placed)	4,000	40,000	18-Feb-25
8% Non-Convertible Debentures (Privately Placed)	35,000	35,000	19-Jul-24
As at March 31, 2022			
7.1% Non-Convertible Debentures (Privately Placed)	1,000	10,000	1-Jun-23
6.4% Non-Convertible Debentures (Privately Placed)	1,000	10,000	15-Sep-22
6.4% Non-Convertible Debentures (Privately Placed)	3,000	30,000	20-Jun-25
6.35% Non-Convertible Debentures (Privately Placed)	4,000	40,000	18-Feb-25
5.75% Non-Convertible Debentures (Privately Placed)	3,000	30,000	20-Jan-23

Particulars of Commercial papers outstanding as on March 31, 2023

Description of CPs	Number of CPs	Rs. in Lakhs	Redemption Date
Commercial papers	4,000	20,000	12-May-23

Particulars of Commercial papers outstanding as on March 31, 2022

Description of CPs	Number of CPs	Rs. in Lakhs	Redemption Date
Commercial papers	2,000	10,000	06-Jun-22

Note 14: Borrowings (Other than debt securities) Rs. in Lakhs

Particulars	Rs. in Lakhs	
	As at March 31, 2023	As at March 31, 2022
At amortized cost		
(a) Term loans		
Unsecured Loans from banks	190,246.83	170,377.04
(b) Intercompany Loan - JDI	11,016.09	0.00
Total	201,262.92	170,377.04
Borrowings in India	201,262.92	157,488.83
Borrowings outside India	0.00	12,888.21
Total	201,262.92	170,377.04

John Deere Financial India Private Limited

Term Loan Repayment

Rs. in Lakhs

Particulars	Year of repayment			
	FY-2026-27	FY-2025-26	FY-2024-25	FY-2023-24
MUFG Bank Ltd, India Term loan commencing from 20th September 2020 (Note i)	-	1,875.00	4,800.00	7,200.00
HDFC Bank Term loan commencing from 23rd March 2021 (Note i)	10,625.00	19,187.50	29,625.00	27,750.00
Axis Bank Term loan commencing from 22nd January 2021 (Note i)	6,250.00	8,750.00	21,500.00	18,700.00
Bank of America Term loan commencing from 24th Sept 2020 (Note i)	-	-	2,500.00	6,350.00
Credit Agricol Bank Term loan commencing from 22nd Feb 2022 (Note i)	-	3,200.00	11,520.00	5,020.00
SMBC Term loan commencing from 22nd Feb 2022 (Note i)	1,025.00	1,250.00	1,325.00	1,400.00
Total	17,900.00	34,262.50	71,270.00	66,420.00

- i) All the above mentioned term loans of amount Rs. 1,89,852.50 lakhs are repayable in quarterly installments
ii) Term loan of amount Rs.66,420 lakhs is repayable in FY 2023-24
iii) There is no working capital demand loan outstanding as on reporting date.
iv) Term Loan of Rs. 190,246.83 lakhs includes Principal amount of Rs. 189,852.50 lakhs and Interest accrued but not due of Rs. 394.33 lakhs.
v) Term loan and Working capital loan interest rate ranges from 4.60% to 8.00%, Intercorporate loan interest rate is 6.15% to 9.10%.

Note 15 : Other financial liabilities

Rs. in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Accrued employee cost	720.74	671.90
(b) Payable to customers	170.63	122.54
Total	891.37	794.44

Note 16: Provisions

Rs. in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Provision for compensated absence	722.25	626.42
(b) Provision for gratuity	42.54	79.64
Total	764.79	706.06

Note 17 : Other Non financial Liabilities

Rs. in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Statutory dues	225.31	202.06
Total	225.31	202.06

John Deere Financial India Private Limited

Notes forming part of the financial statements

Note 18 : Equity Share Capital

Rs. in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised: 800,000,000 Equity shares of Rs. 10 (31 March 2023: 800,000,000)	80,000.00	80,000.00
Issued, Subscribed and Fully Paid: 535,900,000 Equity shares of Rs. 10 fully paid-up (31 March 2023: 535,900,000)	53,590.00	53,590.00
Total	53,590.00	53,590.00

Note

- i. The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.
- ii. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- iii. Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	Number of Shares	Amount
Balance as on March 31, 2021	535,900,000	53,590.00
Add: Equity shares issued during the year	-	-
Balance as on March 31, 2022	535,900,000	53,590.00
Balance as on March 31, 2022	535,900,000	53,590.00
Add: Equity shares issued during the year	-	-
Balance as on March 31, 2023	535,900,000	53,590.00

- iv. Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	No of Equity Shares with Voting rights
As at March 31, 2023	
- held by John Deere Luxembourg Investment SARL (Subsidiary of Ultimate Holding Company)	10
- held by John Deere India Private Limited (a wholly owned subsidiary of John Deere Asia (Singapore) Pte Limited and the Holding Company)	535,899,990
As at March 31, 2022	
- held by John Deere Luxembourg Investment SARL (Subsidiary of Ultimate Holding Company)	10
- held by John Deere India Private Limited (a wholly owned subsidiary of John Deere Asia (Singapore) Pte Limited and the Holding Company)	535,899,990

John Deere Financial India Private Limited**Notes forming part of the financial statements****Note 18 : Equity Share Capital (continued)**

v. Details of shares held by each shareholder holding more than 5% shares:

Particulars	Number of shares held	% holding in that class of shares
As at March 31, 2023		
John Deere India Private Limited (the Holding Company)	535,899,990	100.00
As at March 31, 2022		
John Deere India Private Limited (the Holding Company)	535,899,990	100.00

vi. Shareholding of Promoters

Shares held by promoters at the end of the year			% Change during the year
Promoter name	No. of Shares	%of total shares	
John Deere India Private Limited (the Holding Company)	535,899,990	100%	NIL
Total	535,899,990	100%	

Note 19: Other Equity

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Statutory Reserve u/s 451C of RBI Act, 1934	8,244.77	5,384.71
(b) Retained earnings		
Balance at the beginning of the year	20,628.23	12,466.48
Add: Profit for the year	14,326.22	10,860.48
Less: Transfer to Statutory Reserve	(2,860.06)	(2,162.83)
Less : Dividend paid during the year	(1,071.80)	(535.90)
Closing balance at the end of the year	31,022.59	20,628.23
(c) Other comprehensive income arising from remeasurement of defined employee benefit plans (net of deferred tax)	(63.80)	(37.88)
(d) Securities Premium	2,224.00	2,224.00
Total	41,427.56	28,199.06

John Deere Financial India Private Limited**Notes forming part of the financial statements****Nature and Purpose of Reserves :**

Particulars	Nature & Purpose of Reserves
Securities Premium Account	Premium received upon issuance of equity shares
Statutory Reserve	As prescribed by section 45-IC of the Reserve Bank of India Act, 1934 every non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared. No appropriation of any sum from the reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by the Reserve Bank of India
Retained earnings	Retained earnings are the profits that the Company has earned till date.
Other Comprehensive Income	Created on account of items measured through other comprehensive income

John Deere Financial India Private Limited**Notes forming part of the financial statements****Note 20: Revenue from operations**

Rs. in Lakhs

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
Revenue from operations		
(i) Interest income	61,491.66	56,893.61
(ii) Other operating income	635.44	470.28
Total	62,127.10	57,363.89

Note 21 : Other income

Rs. in Lakhs

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
Interest on fixed deposits with bank	21.86	32.29
Management fees income	1,533.01	1,109.98
Insurance claim received	-	-
Miscellaneous Income	74.72	3.62
Foreign exchange Gain (Net)	-	-
Total	1,629.59	1,145.89

Note 22: Finance Cost

Rs. in Lakhs

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
At amortized cost		
(i) Interest on borrowings from banks	10,238.69	8,298.55
(ii) Interest on debt securities	7,800.40	9,418.79
(iii) Inter corporate deposit	461.65	401.72
(iv) Discounting charges on commercial paper	646.80	117.88
(v) Interest expenses on Lease	53.67	12.43
(vi) Other issuance cost	0.50	1.58
Total	19,201.70	18,250.95

Note 23: Impairment on financial instruments

Rs. in Lakhs

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
On Financial instruments measured at Amortized Cost		
Write off (net of recoveries)	4,402.24	5,192.25
Allowance for loan losses	1,464.05	4,953.21
Total	5,866.29	10,145.46

Note 24: Employee benefits expense

Rs. in Lakhs

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
Salaries and wages (includes gratuity INR 86.25 lakhs, previous year INR 66.83 lakhs)	6,234.74	5,405.39
Contributions to provident and other funds	249.57	179.38
Share Based Payments to employees	41.20	37.91
Staff welfare expenses	40.95	85.87
Total	6,566.45	5,708.55

Note 25: Other expenses

Rs. in Lakhs

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
Facility cost	218.83	141.74
Repairs and maintenance - others	-	-
Insurance	79.12	57.52
Communication expenses	54.36	51.02
Travelling and conveyance	1,839.62	1,207.59
Marketing expenses	10.21	38.67
Legal and professional	844.43	472.80
Outsourcing Cost	226.64	209.33
Payment to Auditors	28.82	30.86
Foreign exchange loss (net)	1,096.65	391.37
Fixed assets written off	(0.09)	1.48
Management fees expense	1,357.34	1,154.29
Contract labour expenses	2,094.23	1,771.82
Information system expenses	4,251.22	2,978.26
Recruitment and training expenses	82.86	59.20
CSR Expenses	186.18	110.29
Bank charges	111.18	124.56
Printing and Stationery	75.46	53.78
Courier Services	106.47	111.38
Meeting expenses	125.25	85.95
Document storage cost	37.14	25.51
Miscellaneous expenses	132.10	146.69
Total	12,958.01	9,224.11

26.01 Contingent liabilities and Commitments :-

Contingent liabilities		Rs in lakhs	
Particulars	31-Mar-23	31-Mar-22	
Consumer Redressal Matters*	2.00	2.00	
GST matters	219.17	219.17	
Income Tax matters	276.20	913.77	
Total	497.37	1,134.94	

* Company has received a notice from the District Consumer Redressal Forum in lieu of a case filed by a customer. Based on evaluation by legal team, the management believes that all these contingencies are possible cash outflows and not probable.

Commitments		Rs in lakhs	
Particulars	31-Mar-23	31-Mar-22	
Estimated amount of capital contracts to be executed on capital account and not provided for (net of advance)	-	0.69	
Loan to customer under financing activities	1,479.00	505.03	

26.02 Payment to Auditors :

Particulars		Rs in lakhs	
As Auditors		31-Mar-23	31-Mar-22
a)	Statutory audit	22.50	22.80
b)	Tax Audit	2.00	1.06
In other capacity -			
	Certification	1.50	1.54
	For reimbursement of expenses	0.43	1.24
Total*		26.43	26.64

*Exclusive of GST amounting INR 2.39 lakhs

26.03 The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as below:

Amount receivable/payable in foreign currency on account of the following:

Particulars		31-Mar-23		31-Mar-22	
		Amount in original currency	Amount in INR	Amount in original currency	Amount in INR
Receivables					
a)	USD	1.31	107.56	6.52	493.95
b)	THB	2.49	6.00	3.22	7.32
c)	AUD	0.16	8.64	0.25	14.17
Payables					
a)	USD	1.96	161.25	5.86	444.55
b)	EURO	0.02	1.77	0.05	4.15
c)	AUD	0.09	5.07	0.27	15.40

26.04 Employee benefits:

A. Defined Contribution Plan

The Company makes provident fund contribution to a defined contribution plan administered by Regional Provident fund Commissioner. Under the scheme the Company is required to contribute a specified percentage of payroll cost to fund the benefits. The Company has recognized contribution to provident fund of Rs.249.57 lakhs in the Statement of Profit and Loss for the year ended 31 March 2023 (31 March 2022: Rs.179.38 lakhs). The contribution paid by the Company is in accordance with the rules framed by government from time to time.

B. Defined Benefit Plan

The Company makes contributions towards gratuity to fund defined benefit plan for qualifying employees. The plan provides for a lump sum payment to employees, at retirement, death while in service or on termination of employment of an amount equivalent to 15 days salary for every completed year of service or a part there of in excess of six months. Vesting occurs upon completion of five years of continuous service. The scheme is administered by Kotak Life Insurance Limited and is funded based on demand received from the fund.

Employee benefits (Continued):

Amount recognized in the Balance Sheet and movement in the net defined benefit obligation for the year are as follows:

Particulars		Rs in lakhs	
i) Reconciliation of defined benefit obligation		31-Mar-23	31-Mar-22
Liability at the beginning of the year		589.80	453.22
Current Service Cost		82.20	66.57
Interest cost		39.76	29.72
Demographic (Gain)/Loss on Plan Liabilities		-	(10.76)
Financial (Gain)/Loss on Plan Liabilities		(12.14)	29.55
Experience (Gain)/Loss on Plan Assets		33.88	27.43
Benefits Paid		(28.93)	(5.94)
Projected benefit obligation at the end of the year		704.57	589.80

ii) Reconciliation of Fair Value of Plan Asset		
Fair value of the Plan assets at the beginning of the year	510.15	436.36
Expected return on plan Assets	35.71	29.45
Contribution	158.00	66.00
Benefits Paid	(28.93)	(5.94)
Actuarial Gain/ (Loss) on plan assets	(12.91)	(15.72)
Fair value of plan asset at the end of the year	662.03	510.15
iii) Amount recognized in Balance Sheet		
Defined Benefit Obligation	(704.57)	(589.80)
Fair value of plan assets	662.03	510.15
Net (Liability)/ Asset recognized in the Balance Sheet	(42.54)	(79.64)

Rs in Lakhs

iv) Expenses recognized in statement of profit or loss under the head employee benefit expenses		
	31-Mar-23	31-Mar-22
Current Service Cost	82.20	66.57
Interest Expense on DBO	39.76	29.72
Interest (Income) on plan assets	(35.71)	(29.45)
Net Interest Cost	4.05	0.27
Expenses recognized in Statement of Profit or Loss	86.25	66.83
v) Re-measurement for the period in OCI		
Actuarial (Gain) / Loss due to Demographic Assumption changes in DBO	-	(10.76)
Actuarial (Gain) / Loss due to Financial Assumption changes in DBO	(12.14)	29.55
Actuarial (Gain) / Loss due to Experience on DBO	33.88	27.43
Return on Plan Assets (Greater) / Less than Discount rate	12.91	15.72
Return on reimbursement rights (excluding interest income)		-
Changes in asset ceiling/onerous liability (excluding interest income)		-
Total Actuarial (Gain) /Loss included in OCI	34.65	61.94
vi) Amount recognized in Other Comprehensive Income (OCI)		
Opening Amount recognized in OCI	94.68	32.74
Re-measurement for the period – Obligation (gain)/loss		
Re-measurement for the period – Plan Assets (gain)/loss		
Total re-measurement cost/(credit) for the period recognized in OCI	34.65	61.94
Closing Amount recognized in OCI (Gain)/ Loss	129.33	94.68
vi) Principal Actuarial Assumptions		
Financial Assumptions		
Discount Rate	7.20%	7.00%
Salary Escalation	8.20%	8.20%

Employee benefits (Continued):

Rs in lakhs

Particulars	31-Mar-23	31-Mar-22
Demographic Assumptions		
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal Rate	21-30yrs-10%	21-30yrs-10%
	31-34yrs-12%	31-34yrs-12%
	35-44yrs-7%	35-44yrs-7%
	45-50yrs-14%	45-50yrs-14%
	51 & above-2%	51 & above-2%
Retirement age	60 years	60 years

(i) As per para 83 of Ind AS 19, the rate used to discount post-employment benefit obligations (both funded and unfunded) shall be determined by reference to market yields at the end of the reporting period on government bonds

John Deere Financial India Private Limited
Notes forming part of financial statements

(ii) Disclosure related to indication of effect of the defined benefit plan on entity's future cash flows –

Particulars	31-Mar-23	31-Mar-22
Year 1	49.77	43.47
Year 2	56.85	42.03
Year 3	56.74	47.35
Year 4	59.43	47.36
Year 5	58.72	48.98
Year 6 to 10	355.80	277.63

(vii) Sensitivity Analysis:

Defined Benefit Obligation	31-Mar-23	31-Mar-22
Discount rate		
- Discount rate - 100 basis points	768.85	645.44
- Discount rate + 100 basis points	648.65	541.58
Salary increase rate		
- Rate - 100 basis points	648.66	541.67
- Rate + 100 basis points	767.59	644.24

C. Compensated Absences:

Compensated absences which are not expected to occur within twelve months after the end of period in which the employee renders the related services are recognized as liability at the present value of defined benefit obligation as at the balance sheet date. Accordingly, an amount of Rs. 139.70 Lakhs been charged to the Statement of Profit and Loss for the year ended 31 March 2023 (31 March 2022: Rs.102.35 lakhs).

26.05 Segment Reporting

The Company is engaged in primarily financing equipment manufactured and sold in India by its holding company and its affiliates which, in the context of IND AS 108 – “Operating Segment” constitute majorly single reportable business segment.

26.06 Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on “Related Party Disclosures

A.

Names of related parties and description of relationship:

Sr No.	Names of Related party	Nature of Relationship
1	Mr. Abhay Dinkar Dhokte - Managing Director	Key Management Personnel (KMP)
2	Mr. Ajit Jain	Director
3	Mr. Mark Ferres	Director
4	Mr. Manish Madhav Phalke - Director (Resigned on - 29 Sep 2022)	Director
5	Mrs. Pranjali Rahul Patil	Director
6	Mr. Girish Sivaramkrishnan - CFO	Key Management Personnel (KMP)
7	Miss. Vaishnavi Bhupendra Suratwala - Company Secretary (Resigned on 24 April 2023)	Key Management Personnel (KMP)
8	Mr. Ankush Lawate - Company Secretary (Appointed on 24 April 2023)	Key Management Personnel (KMP)
9	Deere & Company, USA	Ultimate Holding Company
10	John Deere India Private Limited	Holding Company
11	John Deere Asia Singapore Pte Limited	Intermediate Holding Company
12	Deere Credit Services Inc	Fellow Subsidiary (where transaction exist)
13	John Deere GMBH & Company	Fellow Subsidiary (where transaction exist)
14	John Deere Brasil Ltda.	Fellow Subsidiary (where transaction exist)
15	John Deere Leasing (Thailand) Limited	Fellow Subsidiary (where transaction exist)
16	John Deere Finance Lease Co Ltd (China)	Fellow Subsidiary (where transaction exist)
17	Banco John Deere S.A.	Fellow Subsidiary (where transaction exist)
18	John Deere Financial Limited (Australia)	Fellow Subsidiary (where transaction exist)
19	Wirtgen India Private Limited	Fellow Subsidiary (where transaction exist)

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on “Related Party Disclosures- (Continued)

B.

Payments made to Key Managerial Personnel:

Particulars	Year ended 31st March	Rs. in Lakhs
a. Short term benefits	2023	251.37
	2022	247.37
b. Post-employment benefits	2023	28.23
	2022	23.56
c. Share based payment	2023	54.77
	2022	26.85
Payable at the end of the year	2023	-
	2022	-

C. Transaction with other related parties:

Nature of Transaction	For the Year Ended 31st Mar 23	Ultimate Holding Company	Holding Company	Intermediate Holding Company	Fellow Subsidiaries	KMP	Total
Remuneration	Mar-23	-	-	-	-	334.37	334.37
	Mar-22	-	-	-	-	297.78	297.78
Services received	Mar-23	-	2,956.63	-	262.78	-	3,219.41
	Mar-22	-	1,704.63	16.04	285.21	-	2,005.88
Interest Exp on Intercorporate deposit	Mar-23	-	461.65	-	-	-	461.65
	Mar-22	-	401.72	-	-	-	401.72
Reimbursement of expenses Paid	Mar-23	2,148.25	60.74	-	8.93	-	2,217.92
	Mar-22	1,783.43	127.48	-	5.46	-	1,916.36
Income from Operations – Service Charges Received	Mar-23	-	-	-	(1,539.96)	-	(1,539.96)
	Mar-22	-	-	-	(1,091.81)	-	(1,091.81)
Sale of Goods	Mar-23	-	1.60	-	437.15	-	438.75
	Mar-22	-	-	-	-	-	-
Mfg Subsidy \ Incentives	Mar-23	-	1,628.32	-	253.61	-	1,881.93
	Mar-22	-	2,075.12	-	155.77	-	2,230.90
Leases	Mar-23	-	183.72	-	-	-	183.72
	Mar-22	-	43.67	-	-	-	43.67
Intercorporate deposits given - Paid	Mar-23	-	70,483.91	-	-	-	70,483.91
	Mar-22	-	52,900.00	-	-	-	52,900.00
Intercorporate deposits received back - Taken	Mar-23	-	81,500.00	-	-	-	81,500.00
	Mar-22	-	28,000.00	-	-	-	28,000.00
Receivables at the end of the year	Mar-23	107.56	89.98	-	60.02	-	257.56
	Mar-22	491.13	416.82	-	24.30	-	932.25
Payables at the end of the year	Mar-23	-	423.20	-	168.09	-	591.29
	Mar-22	132.00	169.77	-	332.11	-	633.88
Dividend Paid	Mar-23	-	1,071.80	-	-	-	1,071.80
	Mar-22	-	535.90	-	-	-	535.90

Notes:

- i) The amounts are excluding indirect taxes.
- ii) There are no amounts written off or written back during the year in respect of debts due from related party.
- iii) Remuneration excludes provision for Leave encashment as separate actuarial valuation for KMP is not available.
- iv) Remuneration to KMP for current year includes payment to Mr. Abhay Dinkar Dhokte and Mr. Girish Sivaramakrishnan.
- v) Remuneration to KMP includes Share based payment (Refer Note no. 26.13)
- vi) Receivables balance excludes Unbilled balance of INR 11.30 lakhs

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26.07 Operating Leases:

Brief description of nature and type of lease assets.

A. Right of use assets

Rs in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
	775.23	232.59
Balance as at April 01		
Add: Initial direct cost		
Add: Addition during the year	258.29	692.34
On account of disposal	(201.23)	-
Less: depreciation charged for the period	(205.90)	(149.70)
Balance as at March 31	626.38	775.23

B. Lease liabilities

Rs in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities (Net of disposal stated above)	679.20	796.94

C. Interest expenses on lease liabilities

Rs in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Interest on lease liabilities	53.67	12.43

D. Expenses on short term leases / low value assets

Particulars	As at March 31, 2023	As at March 31, 2022
Short term lease	-	1.00
Low value assets	0.28	0.00

E. Amounts recognized in the statement of cash flow

Rs in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Total cash outflow for leases	174.80	150.25

F. Maturity analysis – contractual undiscounted cash flows

Rs in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	202.71	214.11
One to five years	554.17	685.77
More than five years	26.01	49.16
Total undiscounted lease liabilities	782.88	949.04

26.08 Earnings Per Share is calculated as follows:

Rs in lakhs

Sr No.	Particulars	31-Mar-23	31-Mar-22
i)	Net Profit attributable to shareholders	14,326.22	10,860.48
ii)	Weighted average number of Equity Shares	5,359	5,359
iii)	Nominal value of equity share	10.00	10.00
iv)	Basic and Diluted	2.67	2.03

Note: There is no dilution to basic EPS since there are no outstanding potentially dilutive equity shares.

26.09 Provision for contingency and losses on loans given to customers (financing activities)

Rs in lakhs

Particulars	31-Mar-23	31-Mar-22
Opening balance	15,604.77	10,651.55
Provided during the year	5,866.29	10,145.46
Provision utilized during the year	(4,402.24)	(5,192.25)
Closing balance	17,068.82	15,604.77

(Refer significant accounting policies for brief description of the nature of the provision)

26.10 Compliance with Micro, Small and Medium Enterprises Development Act, 2006

Rs in lakhs

Particulars	31-Mar-23	31-Mar-22
The Company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)	-	-
The disclosure pursuant to the said Act is as under:		
Principal amount due to suppliers under MSMED Act, 2006	-	-
Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid	-	-
Payments made to suppliers (other than interest) beyond the appointed date, during the year	-	-
Interest paid to suppliers under MSMED Act (other than section 16)	-	-
Interest paid to suppliers under MSMED Act (section 16)	0.00	0.10
Interest due and payable to suppliers under MSMED Act for payments already made beyond the appointed date during the current year	-	-
Interest accrued and remaining unpaid to suppliers under MSMED as at year end	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

26.11 Income Taxes:

(A) The reconciliation of estimated income tax expense at statutory income tax rate :

Rs in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Profit before income taxes	19,285.21	14,511.76
Indian statutory income tax rate	25.17%	25.17%
Expected income tax expense	4,853.70	3,652.30
Tax effect of adjustments to reconcile expected income tax expense to :	-	-
Income exempt from tax	-	-
Non deductible expenses	47.48	27.76
Education cess	-	-
Rate change Impact	-	-
Reversal of Deferred tax on Unearned income	-	-
Total income tax expense	4,901.18	3,680.06
Taxes effects for earlier years	57.80	(28.78)
Total income tax expense recognized in Profit and Loss Account	4,958.98	3,651.27

Note: The Company's reconciliation of the effective tax rate is based on its domestic tax rate applicable to respective financial years

(B) The income tax expense charge to Profit and Loss account:

Rs in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax:		
Current tax expense for the period	5,270.06	5,180.14
Current tax expense / (benefit) pertaining to prior years	57.80	(28.78)
Deferred tax benefit		
Origination and reversal of temporary differences	(368.87)	(1,500.09)
Change in tax rates / Ind As Impact		-
Total income tax expense recognized in the year	4,958.99	3,651.27

(C) Amounts recognized in Other Comprehensive Income (OCI)

Rs in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit liability (asset)	8.72	15.59
Items that are or may be reclassified subsequently to profit or loss		
Net amount transferred to profit or loss	-	-

(D) The major components of deferred tax assets and liabilities for the year ended March 31, 2023 are as follows:

Rs in lakhs

Particulars	1st April 2022	Recognized / reversed through profit and loss	Recognized in OCI	As at March 31, 2023
Deferred Tax Assets :				
(a) Impairment loss allowance	3,927.41	368.47	-	4,295.89
(b) Employee benefit	339.22	35.97	(8.72)	366.47
(c) Deferred income	1,305.43	(67.95)	-	1,237.49
(f) Other deferred tax assets	7.93	(2.64)	-	5.28
Deferred Tax Liabilities				
(a) Debenture issue expenses	(125.45)	42.80	-	(82.64)
(b) Depreciation on property, plant, equipment	(6.97)	0.94	-	(6.03)
(c) Investments measured at fair value	-	-	-	-
(d) Loans measured at FVTOCI	-	-	-	-
Net Deferred Tax Asset	5,447.58	377.59	(8.72)	5,816.45

The major components of deferred tax assets and liabilities for the year ended March 31, 2022 are as follows:

Particulars	1st April 2021	Recognized / reversed through profit and loss	Recognized in OCI	As at March 31, 2022
Deferred Tax Assets :				
(a) Impairment loss allowance	2,680.79	1,246.62	-	3,927.41
(b) Employee benefit	252.55	102.26	(15.59)	339.22
(c) Deferred income	1,046.81	258.62	-	1,305.43
(f) Other deferred tax assets	10.56	(2.64)	-	7.92
Deferred Tax Liabilities				
(a) Debenture issue expenses	(33.85)	(91.60)	-	(125.45)
(b) Depreciation on property, plant, equipment	(9.39)	2,420.63	-	(6.97)
(c) Investments measured at fair value	-	-	-	-
(d) Loans measured at FVTOCI	-	-	-	-
Net Deferred Tax Asset	3,947.46	1,515.68	(15.59)	5,447.55

26.12 Corporate Social Responsibility

As per provisions of section 135 of Companies Act 2013, the Company was required to spend 2% of average net profits earned during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy on the activities specified in Schedule VII of the Act.

Rs in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
CSR Amount to be spent for the year	183.65	107.27
Less : Excess Spent Carried forward from last year	(4.67)	(1.64)
Add: Previous year's short fall - in any	-	-
Total Amount to be spent as CSR during the year	178.99	105.63
Less : Amount Spent during the year	186.18	110.29
Total Unspent amount /(Excess Spent)	(7.19)	(4.67)
Amount Considered in Profit & Loss Account for the year *	186.18	110.29
Amount Carried forward to next year	(7.19)	(4.67)
Gross amount required to be spent by the Company during the year		
Amount spent during the year* :		
(i) Construction/ acquisition of any asset	-	-
(i) On purposes other than (i) above	186.18	110.29

*The above expenses are for a purpose other than construction or acquisition of any asset

26.13 Employee share-based payment plans

Deere and Company, the ultimate holding Company issues stock options and restricted stock awards to key employees of the Company and its subsidiaries. Options are awarded with the exercise price equal to the market price and become exercisable in 1 to 3 years after grant. Options expire 10 years after the date of grant. Restricted stock awards generally vests after 3 years. The details of the plan are as under:

Share-based payment arrangement that existed at any time during the period:

Particulars	STOCK OPTIONS		RESTRICTED STOCK UNITS (RSUs)	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
(A) Share-based payment arrangement that existed at any time during the period:				
(i) Description of each type of such payment	Stock Options	Stock Options	RSUs	RSUs
(ii) General terms of options granted	Vesting for stock options: 34% on year 1, 33% on year 2 and 33% on year 3	Vesting for stock options: 34% on year 1, 33% on year 2 and 33% on year 3	Vesting for RSUs: 34% on year 1, 33% on year 2 and 33% on year 3	RSUs convert to shares on 3rd anniversary of the award
(iii) Method of settlement (e.g., whether in cash or equity)	Stock Options can settle in equity or cash. All exercises during this period were settled in cash	Stock Options can settle in equity or cash. All exercises during this period were settled in cash	RSUs settle in shares only	RSUs settle in shares only

Employee share-based payment plans: (Continued)

Particulars	STOCK OPTIONS				RESTRICTED STOCK UNITS (RSUs)			
	As at March 31, 2023		As at March 31, 2022		As at March 31, 2023		As at March 31, 2022	
This table includes both stock options only	No.	Rs. (Per Unit)	No.	Rs. (Per Unit)	No.	Rs. (Per Unit)	No.	Rs. (Per Unit)
(B) Number and weighted average exercise prices of share options for each of the following groups of options:								
(i) outstanding at the beginning of the period	-	-	-	-	332	19,545.63	351	14,298.33
(ii) transferred out during the period	-	-	-	-	-	-	-	-
(iii) transferred in during the period	-	-	-	-	-	-	-	-
(iv) granted during the period	-	-	-	-	57	35,991.54	80	26,075.12
(v) forfeited during the period	-	-	-	-	-	-	-	-
(vi) exercised during the period	-	-	-	-	149	13,930.67	99	11,230.94
(vii) expired during the period	-	-	-	-	-	-	-	-
(viii) outstanding at the end of the period	-	-	-	-	240	26,937.01	332	18,051.08
(ix) exercisable at the end of the period	-	-	-	-	-	-	-	-

For convenience, amounts in Indian Rupees in Note 26.13 represents US dollar amount translated at March 31, 2023 rate of Rs. 82.09 = US dollar 1.00 and March 31, 2022 rate of Rs. 75.81 = US dollar 1.00. Amount represents per share value.

Share based payments expenditure:

Share based payments expense (included in Note 26.13: Employee Benefit Expense) recognized during the year represents the difference between market value of equity shares as at the grant date and market value of equity shares as at the exercise date.

26.14 The Board in its meeting held on 24th April 2023 has proposed a dividend of Re. 0.30 per share on a share of Rs. 10 each to the shareholders of the Company. The payment of dividend is subject to final approval from shareholders in the Annual general meeting.
During the year 2022-23 the Company has paid dividend of Rs. 0.20 per share on share of Rs 10 each as approved in the Annual General Meeting held on 26th July 2022 with a payout ratio of 9.87%.

26.15 Net Gain / (Loss) On Fair Value Changes

Rs in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
(A) Net Gain / (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments		-
- Derivatives		-
- Others		-
(ii) On financial instruments designated at fair value through profit or loss	509.75	(375.78)
(B) Others		-
(C) Total Net gain/(loss) on fair value changes	509.75	(375.78)
(D) Fair value changes :		
(i) Realized	509.75	(25.48)
(ii) Unrealized	-	(350.30)
Total Net gain/(loss) on fair value changes	509.75	(375.78)

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Notes forming part of financial statements

26.16 Financial assets and liabilities by category

(i) The carrying value of financial instruments by categories as at March 31, 2023 is as follows:

Rs in lakhs

Particulars	Fair value through Profit or Loss	Fair Value through Other Comprehensive Income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortized cost	Total Carrying Value
Financial Assets:						
Cash and cash equivalents	-	-	-	-	3,602.87	3,602.87
Bank balance other than (a) above	-	-	-	-	0.53	0.53
Receivables- Trade receivables	-	-	-	-	268.87	268.87
Loans	-	-	-	-	427,590.47	427,590.47
Other financial assets	-	-	-	-	41.95	41.95
Total	-	-	-	-	431,504.68	431,504.68
Financial Liabilities:						
Derivative financial Instrument		-	-	-	-	-
Payables						
-Trade Payable	-	-	-	-	4,019.44	4,019.44
Debt Securities	-	-	-	-	137,409.35	137,409.35
Borrowings (Other than Debt securities)	-	-	-	-	201,262.92	201,262.92
Lease liabilities	-	-	-	-	679.20	679.20
Other financial liabilities	-	-	-	-	891.37	891.37
Total	-	-	-	-	344,262.27	344,262.27

Financial assets and liabilities by category: (Continued)

The carrying value of financial instruments by categories as at March 31, 2022 is as follows :

Rs in lakhs

Particulars	Fair value through Profit or Loss	Fair Value through Other Comprehensive Income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortized cost	Total Carrying Value
Financial Assets:						
Cash and cash equivalents	-	-	-	-	6,099.93	6,099.93
Bank balance other than (a) above	-	-	-	-	3,002.68	3,002.68
Receivables- Trade receivables	-	-	-	-	987.42	987.42
Loans	-	-	-	-	373,539.63	373,539.63
Other financial assets	-	-	-	-	67.68	67.68
Total	-	-	-	-	383,697.35	383,697.35
Financial Liabilities:						
Derivative financial Instrument	1,651.19	-	-	-	-	1,651.19
Payables						
-Trade Payables	-	-	-	-	3,614.33	3,614.33
Debt Securities	-	-	-	-	132,492.47	132,492.47
Borrowings (Other than Debt securities)	-	-	-	-	170,377.04	170,377.04
Lease liabilities	-	-	-	-	796.94	796.94
Other financial liabilities	-	-	-	-	794.43	794.43
Total	1,651.19	-	-	-	308,075.21	309,726.41

Fair Value hierarchy :

(ii)

Rs in lakhs

As at March 31, 2023	Carrying amount	Level 1	Level 2	Level 3	Total
Financial Assets:					
Loans	427,590.47	-	-	431,701.91	431,701.91
Other financial assets	-	-	-	-	-
Total	427,590.47	-	-	431,701.91	431,701.91
Financial Liabilities:					
Derivative financial Instrument	-	-	-	-	-
Debt Securities	137,409.35	-	136,638.19	-	136,638.19
Borrowings (Other than Debt securities)	201,262.92	-	189,891.39	-	189,891.39
Total	338,672.26	-	326,529.58	-	326,529.58

As at March 31, 2022	Carrying amount	Level 1	Level 2	Level 3	Total
Financial Assets:					
Loans	373,539.63	-	-	376,783.98	376,783.98
Other financial assets	-	-	-	-	-
Total	373,539.63	-	-	376,783.98	376,783.98
Financial Liabilities:					
Derivative financial instrument	1,651.19		1,651.19		1,651.19
Debt Securities	132,492.47	-	134,796.66	-	134,796.66
Borrowings (Other than Debt securities)	170,377.04	-	171,673.11	-	171,673.11
Total	304,520.70	-	308,120.96	-	308,120.96

Financial assets and liabilities by category: (Continued)

Quoted prices in an active market (Level 1) : This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Valuation technique with observable inputs (Level 2) : This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This level of hierarchy include Company's over the counter (OTC) derivative contracts.

Valuation technique with significant unobservable inputs (Level 3) : This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are measured in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

There has been no transfer between level 1, level 2 and level 3 for the year ended March 31, 2023 and March 31, 2022.

Valuation technique used to determine fair value of financial instruments

(a) Derivatives are fair valued using fair values obtained from banks and where applicable, are classified in Level 2.

(b) The fair value of loans arising from financing activities has been estimated by discounting expected cash flows using rates at which loans of similar credit quality and maturity would be made and internal assumptions such as expected credit losses and estimated collateral value for repossessed vehicles as at March 31, 2023 and 2022. Since significant unobservable inputs are applied in measuring the fair value of loans arising from financing activities, they are classified in Level 3.

(c) The fair value of borrowings and debt securities has been estimated by discounting the expected cash flow using the rate at which the last borrowings during the current financial year has been made and are classified in Level 2.

Fair value of financial assets/ liabilities measured at amortized cost

The carrying amounts of other financial assets and other financial liabilities other than those disclosed in the table above valued at level 2 and level 3 are considered to be the same as their fair values due to the short term maturities of instruments and no material differences in the fair value.

26.17 Financial Risk Review

The Company is exposed to certain financial risks namely credit risk, interest risk, currency risk & liquidity risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee and Asset Liability Committee (ALCO). The Risk Management committee and ALCO is responsible for developing and monitoring risk management policies for its business and ensuring compliance with the statutory/regulatory framework of the risk management process.

A Credit risk

Credit risk is the risk that the Company will incur a loss because its customers fail to discharge their contractual obligations. The Company has a comprehensive framework for monitoring credit quality of its retail loans primarily based on days past due monitoring at period end. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

Exposure to Credit Risk

The carrying amount of the financial assets represents the maximum credit exposure, being the total of the carrying amount of balances with banks, time deposits with banks, loans arising from financing activities, derivative financial instruments, trade receivables and other financials assets.

Financial assets that are neither past due or impaired

Credit risk on cash and cash equivalents and deposits with banks/ financial institutions is generally low as the said deposits have been made with banks/ financial institution who have been assigned high credit rating by international/ domestic rating agencies. Credit risk on derivative instruments is generally low as the company enters into derivative contracts with reputed banks. None of the company's cash equivalents, including time deposits with banks are past due or impaired. Regarding the derivative contracts, trade receivables and other financial assets are neither impaired nor past due. There were no indications as at March 31, 2023, that defaults in payment obligations will occur.

i) Loans arising from financing activities - Credit quality of financial assets and impairment loss

The carrying amount of loans represent the maximum credit exposure net of provision for impairment. Loans are derived from financing activities to customers. The Company mostly provide loans to retail individual customers in Rural and Semi urban area which is of small ticket size. Credit risk for loans is managed by the Company through credit approvals, establishing credit limits and periodic monitoring of the credit worthiness of its customers to which the Company grants credit terms in the normal course of business. Credit risk is monitored by the credit risk department of the Company's independent risk department/ function who have the responsibility for reviewing and managing credit risk. For the loans financed to customers, the Company covers/secures the credit risk associated with the loans lent to customers by creating charge/ hypothecation/ security on the assets as mentioned/ specified in the loan agreement with the customers. The Company does not have a high concentration of credit risk to a single customer exceeding 10% of the Company revenue. The Company makes the allowance for losses on its portfolio of loans on the basis of expected future collection from receivables. The future collections are estimated on the basis of past collection trend which are adjusted for changes in current circumstances as well as expected changes in collection on account of future with respect to certain macro economic factor.

Credit Risk (Continued)

The following table sets out information about the credit quality of financial assets measured at amortized cost. The amounts in the table represent gross carrying amounts for financial assets.

Rs in lakhs		
Loans exposure by Sector		
Particulars	As at March 31, 2023	As at March 31, 2022
Loans by Sector		
i) Agricultural Sector	394,683.80	358,226.21
ii) Construction equipments	49,975.47	30,918.20
Total - Gross	444,659.28	389,144.40
Less: Impairment allowance for agricultural sector	15,956.28	14,843.52
Less: Impairment allowance for construction equipments	1,112.53	761.28
Less: Impairment allowance	17,068.81	15,604.77
Total Net Loans*	427,590.46	373,539.63

(ii) Days past due method for credit quality analysis of Loans

The table below shows the credit quality and the maximum exposure to credit risk based on the days past due and year-end stage classification of gross carrying value of loans. The amounts presented are gross of impairment allowances.

Rs in lakhs						
Outstanding Gross loans	As at March 31, 2023			As at March 31, 2022		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Days Past due						
Current (Not past due)	372,188.29		266.44	318,554.29		305.83
1- 29 days	26,310.36		178.82	24,953.85		365.11
30- 90 days		23,966.55	1,654.94		20,561.92	3,910.79
91 or more days			20,093.89			20,492.60
Gross Exposure	398,498.64	23,966.55	22,194.09	343,508.14	20,561.92	25,074.34

Rs in lakhs						
Impairment allowance on loans	As at March 31, 2023			As at March 31, 2022		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Days Past due						
Current (Not past due)	3,645.63		83.02	3,256.40		82.12
1- 29 days	804.06		55.17	908.70		97.46
30- 90 days		1,882.23	507.25		1,462.98	1,035.76
91 or more days			10,091.47			8,761.35
Total	4,449.68	1,882.23	10,736.90	4,165.10	1,462.98	9,976.69
Net Exposure*	394,048.96	22,084.32	11,457.18	339,343.04	19,098.94	15,097.65

Days past due method for credit quality analysis of Loans: (Continued)

Rs in lakhs							
As at March 31, 2023		Asset Group	Days Past due	Estimated gross carrying amount at default*	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans	Current	372,188.29	0.22%	804.06	371,384.23
			1-29 days	26,310.36	13.86%	3,645.63	22,664.73
			Total	398,498.64	1.12%	4,449.68	394,048.96
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	Loans	30 - 90 days	23,966.55	7.85%	1,882.23	22,084.32
			Total	23,966.55	7.85%	1,882.23	22,084.32
			Current	266.44	31.16%	83.02	183.42
	Financial assets for which credit risk has increased significantly and credit-impaired	Loans	1-29 days	178.82	30.85%	55.17	123.66
			30 - 90 days	1,654.94	30.65%	507.25	1,147.69
91 days and above			20,093.89	50.22%	10,091.47	10,002.43	
Total	22,194.09	48.38%	10,736.90	11,457.19			
Grand Total			444,659.28	3.84%	17,068.81	427,590.47	

Rs in lakhs

As at March 31, 2022		Asset Group	Days Past due	Estimated gross carrying amount at	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans	Current	318,554.29	1.02%	3,256.40	315,297.89
			1-29 days	24,953.85	3.64%	908.70	24,045.15
			Total	343,508.14	1.21%	4,165.10	339,343.04
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	Loans	30 - 89 days	20,561.92	7.11%	1,462.98	19,098.95
			Total	20,561.92	7.11%	1,462.98	19,098.95
			Financial assets for which credit risk has increased significantly and credit-impaired	Loans	Current	305.83	26.85%
	1-29 days	365.11		26.69%	97.46	267.64	
	30 - 89 days	3,910.79		26.48%	1,035.76	2,875.03	
	90 days and above	20,492.60		42.75%	8,761.35	11,731.25	
	Total	25,074.34	39.79%	9,976.69	15,097.64		
Grand Total	389,144.40	4.01%	15,604.77	373,539.63			

B Liquidity Risk

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established Asset and Liability Management Committee (ALCO) for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(i) Maturity analysis of liabilities

The table below set out carrying amount of financial liability according to when they are expected to be settled.

As at March 31, 2022

Rs in lakhs

Particulars	Less than 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Financial liabilities							
(i) Derivative financial Instrument	-	-	-	-	-	-	-
(ii) (a) Trade payables	-	-	-	-	-	-	-
-total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	4,019.44	-	-	-	-	-	4,019.44
(iii) Debt securities	30,291.54	1,274.51	979.35	104,863.95	-	-	137,409.35
(iv) Borrowings (Other than Debt securities)	26,452.92	17,217.50	34,160.00	105,532.50	17,900.00	-	201,262.92
(v) Lease liabilities	40.73	38.20	80.66	344.69	174.92	-	679.20
(vi) Other financial liabilities	170.63	-	720.74	-	-	-	891.36
Total Financial liabilities	60,975.24	18,530.21	35,940.75	210,741.15	18,074.92	-	344,262.26

As at March 31, 2022

Rs in lakhs

Particulars	Less than 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Financial liabilities							
(i) Derivative financial Instrument	-	-	1,651.19	-	-	-	1,651.19
(ii) (a) Trade payables	-	-	-	-	-	-	-
-total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	3,614.33	-	-	-	-	-	3,614.33
(iii) Debt securities	10,364.41	11,721.88	30,659.75	49,759.94	29,986.48	-	132,492.46
(iv) Borrowings (Other than Debt securities)	9,176.33	17,712.50	50,200.71	85,037.50	8,250.00	-	170,377.04
(v) Lease liabilities	-	-	165.75	631.19	-	-	796.94
(vi) Other financial liabilities	122.53	-	671.90	-	-	-	794.43
Total Financial liabilities	23,277.59	29,434.38	83,349.31	135,428.63	38,236.48	-	309,726.39

(ii) **Maturity Analysis of Assets and Liabilities**

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled

Rs. In lakhs

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current	Non- Current	Total	Current	Non- Current	Total
ASSETS						
Financial Assets						
(i) Cash and cash equivalents	3,602.87	-	3,602.87	6,099.93	-	6,099.93
(ii) Bank balance other than (a) above	-	0.53	0.53	3,002.42	0.26	3,002.68
(iii) Receivables- Trade receivables	268.87	-	268.87	987.42	-	987.42
(iv) Loans	187,247.47	240,342.99	427,590.46	158,951.96	214,587.67	373,539.63
(v) Other financial assets	-	41.95	41.95	-	67.68	67.68
Total financial assets	191,119.20	240,385.47	431,504.67	169,041.74	214,655.60	383,697.35
Non-financial Assets						
(i) Current tax (Net)	-	680.12	680.12	-	1,253.75	1,253.75
(ii) Deferred tax assets (net)	-	5,816.44	5,816.44	-	5,447.56	5,447.56
(iii) Property, Plant and Equipment	-	396.45	396.45	-	298.04	298.04
(iv) Capital work-in-progress	-	-	-	-	-	-
(v) Right of Use Assets	-	626.38	626.38	-	775.23	775.23
(vi) Intangible Assets	-	9.70	9.70	-	19.52	19.52
(vii) Other Non financial assets	1,236.17	-	1,236.17	932.14	-	932.14
Total Non-financial assets	1,236.17	7,529.07	8,765.24	932.14	7,794.10	8,706.72
Total Assets	192,355.37	247,914.54	440,269.91	169,973.88	222,449.70	392,404.06

Liabilities

Financial liabilities						
(i) Derivative financial instrument	-	-	-	1,651.19	-	1,651.19
(ii) Payables						
(a) Trade payables						
-total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	4,019.44	-	4,019.44	3,614.33	-	3,614.33
(b) Other Payables						
-total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
(iii) Debt securities	32,545.40	104,863.95	137,409.35	52,746.04	79,746.42	132,492.46
(iv) Borrowings (Other than Debt securities)	77,830.42	123,432.50	201,262.92	77,089.54	93,287.50	170,377.04
(v) Lease liabilities	159.59	519.61	679.20	165.75	631.19	796.94
(vi) Other financial liabilities	891.36	-	891.36	794.43	-	794.43
Total Financial liabilities	115,446.20	228,816.06	344,262.26	136,061.28	173,665.11	309,726.39
Non-financial liabilities						
(i) Current tax liabilities (Net)	-	-	-	202.06	-	202.06
(i) Provisions	142.42	622.37	764.79	121.24	584.82	706.06
(ii) Other Non financial liabilities	225.31	-	225.31	-	-	-
Total Non financial liabilities	367.73	622.37	990.10	323.29	584.82	908.11
Total Liabilities	115,813.93	229,438.43	345,252.37	136,384.57	174,249.93	310,634.51
Net			95,017.55			81,769.56

C Market Risk

Market Risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, etc. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return.

(i) **Exposure to Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company loans and borrowings are at fixed interest rate hence any change in market interest rate will not have impact on statement of profit and loss.

(ii) **Exposure to Foreign currency risk**

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuations arise. Exposure to currency risk relates primarily to the Company's intercompany transactions denominated in a different currency from the Company's functional currency

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR, AUD and THB exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to other foreign currencies is not material.

The carrying amount of Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows :

	As on March 31, 2023 Amounts outstanding in INR				As on March 31, 2022 Amounts outstanding in INR			
	USD	EUR	TBH	AUD	USD	EUR	TBH	AUD
Trade Payables	(161.25)	(1.77)	-	(5.07)	(444.55)	(4.15)	-	(15.40)
Trade Receivables	107.56	-	6.00	8.64	493.95	-	7.32	14.17

Rs in lakhs

	Currency	Change in rate	Effect on profit before tax
31-Mar-23	USD	10% / -10%	(5.37)
	EUR		(0.18)
	THB		0.60
	AUD		0.36
31-Mar-22	USD	10% / -10%	4.94
	EUR		(0.42)
	THB		0.73
	AUD		(0.12)

Rs in lakhs

In management's opinion, the sensitivity analysis does not represent the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(iii) **Derivative Financial Instruments**

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts:

Derivatives held for Risk management purposes	As at March 31, 2023				
	Notional amount	Fair value- assets	Fair value- liabilities	Change in rate	Effect on profit before tax
Forward Contracts			INR 0.00	10% / -10%	-
Total	-	-	INR 0.00		

Rs in lakhs

Derivatives held for Risk management purposes	As at March 31, 2022				
	Notional amount	Fair value- assets	Fair value- liabilities	Change in rate	Effect on profit before tax
Forward Contracts	USD 173.74	-	INR 1,651.19	10% / -10%	130.09
Total	USD 173.74	-	INR 1,651.19		

Rs in lakhs

D Capital Management

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or combination of short term/long term debt as may be appropriate.

The Company is subject to the capital adequacy requirements of the Reserve Bank of India (RBI). Under RBI's capital adequacy guidelines, the Company is required to maintain a capital adequacy ratio consisting of Tier I and Tier II Capital.

The minimum capital ratio as prescribed by RBI guidelines and applicable to the Company, consisting of Tier I and Tier II capital, shall not be less than 15 percent of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet. The Company has complied with all regulatory requirements related capital and capital adequacy ratios as prescribed by RBI.

26.18 Capital to Risk Assets Ratio (CRAR)

Sr. No.	Particulars	As per IND AS	
		31-Mar-23	31-Mar-22
1	CRAR (%)	21.27%	20.77%
2	CRAR - Tier I capital (%)	20.25%	19.67%
3	CRAR - Tier II Capital (%)	1.02%	1.10%
4	Amount of subordinated debt raised as Tier-II capital	0.00%	0.00%
5	Amount raised by issue of Perpetual Debt Instruments	0.00%	0.00%

*General reserve includes interest of INR 1224 lakhs for March 2023 and INR 1551.26 lakhs for March 2022 accrued in books of accounts as per IND AS requirements on Stage III loan contracts. It has been excluded in the above calculation as a matter of abundant caution.

26.19 Investments

This section is Not applicable to the Company since there are no investments.

26.20 Derivatives

A) **Forward Rate Agreement / Interest Rate Swap**

Particulars	As at	
	March 31, 2023	March 31, 2022
(i) The notional principal of swap agreements	-	-
(ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
(iii) Collateral required by the applicable NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps \$	-	-
(v) The fair value of the swap book @	-	-

Rs in lakhs

B) **Exchange Traded Interest Rate (IR) Derivatives**

This section is Not applicable to the Company

C) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

The Company does not trade in derivatives and hence, this disclosure is not applicable

Quantitative Disclosure

Rs in lakhs

	Particulars	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)	0.00	-
	For hedging	-	-
(ii)	Marked to Market Positions [1]	-	-
	Asset (+)	-	-
	Liability (-)	-	-
(iii)	Credit Exposure [2]	-	-
(iv)	Unhedged Exposures	-	-

26.21 Asset Liability Management Maturity pattern of certain items of assets and liabilities

As at March 31, 2023

Rs in lakhs

	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks	2,806.83	7,680.00	4,950.00	17,217.50	34,160.00	105,532.50	17,900.00	-	190,246.83
Borrowings in Foreign currency	-	-	-	-	-	-	-	-	-
Intercompany borrowings	11,016.09	-	-	-	-	-	-	-	11,016.09
Market Borrowings	(141.83)	29,919.50	513.87	1,274.51	979.35	104,863.95	-	-	137,409.35
Assets									
Advances *	10,590.35	15,001.38	26,265.97	52,085.56	86,067.97	206,729.98	35,897.82	1,283.33	433,922.38
Investments	-	-	-	-	-	-	-	-	-

* Advances include amount shown in Note 7 excluding stage I and stage II provision

As at March 31, 2022

Rs in lakhs

	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks	1,851.33	4,575.00	2,750.00	17,712.50	37,312.50	85,037.50	8,250.00	-	157,488.83
Borrowings in Foreign currency	-	-	-	-	12,888.21	-	-	-	12,888.21
Intercompany borrowings	-	-	-	-	-	-	-	-	-
Market Borrowings	(51.91)	433.18	9,983.14	11,721.88	30,659.75	49,759.94	29,986.48	-	132,492.46
Assets									
Advances	8,413.11	12,445.86	22,792.65	43,935.18	73,779.13	190,106.48	27,695.31	-	379,167.73
Investments	-	-	-	-	-	-	-	-	-

* Advances include amount shown in Note 7 excluding stage I and stage II provision

26.22 Exposures to Capital Market and Real Estate Sector :

There are no exposure to capital market and real estate sector during the year ended 31 March 2023 and 31 March 2022.

26.23 Details of financing of parent company products

The principal business of the Company is providing finance for the purchase of farm equipment manufactured and sold by John Deere India Private Limited and for the construction equipment manufactured and sold by Wirtgen India Private Limited.

26.24 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable NBFC :

During the year ended 31 March 2023 and 31 March 2022, the Company's credit exposure to single borrowers and group borrowers were within the limits prescribed by the RBI.

26.25 Registration obtained from other financial sector regulators :

Regulators	Registration Number
Financial Intelligence Unit - (Operating under Economic Intelligence Council)	FINBF12765
RBI- Reserve Bank of India	N-13.02027
Central Registry of Securitisation Asset Reconstruction and Security Interest of India (Central KYC)	20192000001626
Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI)	JC9GB
Certificate of Registration under section 3 of Factoring Regulation Act, 2011	N-13.02450

26.26 Disclosure of Penalties imposed by RBI and other regulators :

During the FY 22-23 company has paid fine Rs.37,760/- to BSE towards certain Non-compliance.

26.27 Ratings assigned by credit rating agencies and migration of ratings :

During the year 2022-23

Particulars	Rating Assigned	Date of Rating	Rating Valid up to	Name of the Rating Agency	Amount
Commercial paper	CRISIL A1+	03-Nov-22	30 Calendar days	CRISIL Ltd	INR 60,000 lakhs
	CRISIL A1+	30-Dec-22	30 Calendar days	CRISIL Ltd	INR 60,000 lakhs
	[ICRA]A1+	01-Nov-22	3 months	ICRA Ltd	INR 40,000 lakhs
Term Loans	CRISIL AAA/Stable	30-Dec-22	1 Year	CRISIL Ltd	INR 27,000 lakhs
	[ICRA] AAA	01-Nov-22	1 Year	ICRA Ltd	INR 125,500 lakhs
NCD	CRISIL AAA/Stable	30-Dec-22	1 Year	CRISIL Ltd	INR 10,000 lakhs
	CRISIL AAA/Stable	30-Dec-22	1 Year	CRISIL Ltd	INR 10,000 lakhs
	CRISIL AAA/Stable	30-Dec-22	1 Year	CRISIL Ltd	INR 20,000 lakhs
	CRISIL AAA/Stable	30-Dec-22	1 Year	CRISIL Ltd	INR 35,000 lakhs
	CRISIL AAA/Stable	30-Dec-22	1 Year	CRISIL Ltd	INR 35,000 lakhs
	CRISIL AAA/Stable	30-Dec-22	1 Year	CRISIL Ltd	INR 5,000 lakhs
					INR 30,000 lakhs

During the year 2021-22

Particulars	Rating Assigned	Date of Rating	Rating Valid up to	Name of the Rating Agency	Amount
Commercial paper	CRISIL A1+	13-May-21	30 Calendar days	CRISIL Ltd	INR 60,000 lakhs
	CRISIL A1+	07-Sep-21	30 Calendar days	CRISIL Ltd	INR 60,000 lakhs
	CRISIL A1+	28-Feb-22	30 Calendar days	CRISIL Ltd	INR 60,000 lakhs
	[ICRA]A1+	07-May-21	3 months	ICRA Ltd	INR 40,000 lakhs
	[ICRA]A1+	27-Dec-21	3 months	ICRA Ltd	INR 40,000 lakhs
Term Loans	[ICRA]A1+	22-Feb-22	3 months	ICRA Ltd	INR 40,000 lakhs
	CRISIL AAA/Stable	07-Sep-21	180 Days	CRISIL Ltd	INR 27,000 lakhs
	[ICRA] AAA	04-Aug-21	1 Year	ICRA Ltd	INR 63,000 lakhs
NCD	[ICRA] AAA	27-Dec-21	1 Year	ICRA Ltd	INR 91,000 lakhs
	CRISIL AAA/Stable	7-Sep-21	180 Days	CRISIL Ltd	INR 10,000 lakhs
	CRISIL AAA/Stable	7-Sep-21	180 Days	CRISIL Ltd	INR 20,000 lakhs
	CRISIL AAA/Stable	7-Sep-21	180 Days	CRISIL Ltd	INR 35,000 lakhs
	CRISIL AAA/Stable	7-Sep-21	180 Days	CRISIL Ltd	INR 40,000 lakhs
	CRISIL AAA/Stable	14-Sep-21	180 Days	CRISIL Ltd	INR 50,000 lakhs
	CRISIL AAA/Stable	7-Sep-21	180 Days	CRISIL Ltd	INR 5,000 lakhs
	CRISIL AAA/Stable	27-Dec-21	180 Days	CRISIL Ltd	INR 30,000 lakhs

26.28 Remuneration of Directors

Amount Paid to Independent Directors towards Sitting Fees & Reimbursement of Exp:

- 1) Patrick Mack - Rs.10.27 Lakh (Sitting Fee- Rs.10Lakh, Reimbursement of Exp Rs.0.27Lakh)
- 2) Jyoti Kumar Pandey - Rs.0.20 Lakh (Sitting Fees)

26.29 Net Profit or Loss for the period, prior period items and changes in accounting policies :- NIL

26.30 Revenue Recognition - Please refer Significant accounting policies no. 2.6

26.31 Ind AS 110 -Consolidated Financial Statements (CFS)

This section is Not applicable to the Company

26.32 Provision for Contingencies:-

Particulars	Rs in lakhs	
	31-Mar-23	31-Mar-22
Breakup of Provision and contingencies shown under the head Expenditure in Profit and loss Account		
Provision for Depreciation on Investment	(-)	(-)
Provision towards NPA	760.21	3,229.88
Provision made towards Income tax	5,270.06	5,180.14
Other provision and contingencies –		
Leave encashment	139.70	102.36
Gratuity	86.25	66.83
Provision for Standard Assets	703.83	1,723.33

26.33 Draw Down from Reserves

There has been no draw down from the Statutory Reserves under section 45-IC of The Reserve Bank of India Act, 1934, for the year ended 31 March 2023 and 2022.

John Deere Financial India Private Limited
Notes forming part of financial statements

26.34 Concentration of Deposits, Advances, Exposure and NPA's

Concentration of Advances:

		Rs in lakhs
(A)	Particulars	31-Mar-23
	Total Advances to twenty largest borrowers	26,818.50
	Percentage of Advances to twenty largest borrowers to Total advances	6.03%

Concentration of Exposures:

		Rs in lakhs
(B)	Particulars	31-Mar-23
	Total Exposure to twenty largest borrowers / customers	26,818.50
	Percentage of Advances to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrower/Customers	6.03%

Concentration of NPAs

		Rs in lakhs
(C)	Particulars	31-Mar-23
	Total Exposure to top four NPA accounts	356.61

(D) Sector- wise NPAs

		Rs in lakhs
Sr No.	Sector	Percentage of NPAs to Total Advances in that
1	Agriculture & allied activities	4.87%
2	MSME	5.69%
3	Corporate Borrowers	-
4	Services	-
5	Unsecured personal Loans	-
6	Auto Loans	-
7	Other personal loans	-
8	Others	0.12%

Movement of NPAs

		Rs in lakhs	
Particulars		31-Mar-23	31-Mar-22
(i)	Net NPAs to Net Advances (%)	2.68%	4.09%
(ii)	Movement of NPAs (Gross)		
a)	Opening balance	25,074.34	19,323.80
b)	Additions during the year	13,693.54	18,849.97
c)	Reductions during the year	(16,573.79)	(13,099.44)
d)	Closing balance	22,194.09	25,074.34
(iii)	Movement of Net NPAs		
a)	Opening balance	15,278.55	12,757.91
b)	Additions during the year	6,649.02	8,770.10
c)	Reductions during the year	(10,470.39)	(6,249.45)
d)	Closing balance	11,457.19	15,278.55
(iv)	Movement of provisions for NPAs (excluding provisions on standard Assets)		
a)	Opening balance	9,976.69	6,746.81
b)	Provisions made during the Year	6,863.61	10,079.87
c)	Write-off/ write-back of Excess provision	(6,103.40)	(6,849.98)
d)	Closing balance	10,736.90	9,976.69

26.35 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

This section is Not applicable to the Company

26.36 Off-balance Sheet SPVs sponsored

This section is Not applicable to the Company

26.37 Disclosures of Complaints:

Customer Complaints

Sr.No	Particulars	31-Mar-23
a)	No. Of Complaints pending at the beginning of the year	2
b)	No. of complaints received during the year	44
c)	No. of complaints redressed during the year	46
d)	No. of complaints pending at the end of the year	-

26.38 Disclosures as required in terms of Annex IV in accordance with Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 updated as on 29th December 2022 issued by Reserve Bank of India (RBI)

Liabilities side :		Rs in lakhs	
Particulars		Amount Outstanding as at 31 March 2023	Amount Overdue as of 31 st March 2023
1	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
(a)	Debtures : Secured	-	-
	: Unsecured*	117,912.81	-
	(other than falling within the meaning of public deposits)	(123,070.84)	(-)
(b)	Deferred Credits	-	-
(c)	Term Loans	190,246.83	-
(d)	Inter-corporate loans and borrowing	(157,488.83)	(-)
(e)	Commercial Paper**	11,016.09	-
(f)	Public Deposits	(-)	(-)
(g)	Other Loans	20,000.00	-
	-ECB	(10,000.00)	(-)
	-Working capital loan	-	-
		(-)	(-)
* Loan amount is excluding unamortized debt cost			
** Commercial papers at gross value			
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued there on but not paid):		
(a)	In the form of Unsecured debentures	-	-
	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	(-)	(-)
(c)	Other public deposits	(-)	(-)

Note: Figures in the brackets represents figures for previous year.

Assets side :		Amount Outstanding as at 31 March 2023
Particulars		
3	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	
(a)	Secured	-
(b)	Unsecured	(-)

Disclosures in terms of Annex I in accordance with Master Direction issued by Reserve Bank of India (RBI) (continued)

4	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	
(i)	Lease assets including lease rentals under sundry debtors :	
(a)	Financial lease	(-)
(b)	Operating lease	(-)
(ii)	Stock on hire including hire charges under sundry debtors:	
(a)	Assets on hire	(-)
(b)	Repossessed Assets	(-)
(iii)	Other loans counting towards AFC activities	
(a)	Loans where assets have been repossessed	1,649.95
		(1,688.51)
(b)	Loans other than (a) above	443,009.33
		(387,455.89)
5	Break-up of Investments:	
	Current Investments:	
1)	<u>Quoted :</u>	
(i)	<u>Shares</u>	-
(a)	<u>Equity</u>	(-)
(b)	<u>Preference</u>	-
(ii)	<u>Debentures and Bonds</u>	(-)
(iii)	<u>Units of mutual funds</u>	(-)
(iv)	<u>Government Securities</u>	(-)
(v)	<u>Others (please specify)</u>	(-)
2)	<u>Unquoted :</u>	
(i)	<u>Shares</u>	(-)
(a)	<u>Equity</u>	(-)
(b)	<u>Preference</u>	(-)
(ii)	<u>Debentures and Bonds</u>	(-)
(iii)	<u>Units of mutual funds</u>	(-)
(iv)	<u>Government Securities</u>	(-)
(v)	<u>Others (please specify)</u>	(-)

John Deere Financial India Private Limited
Notes forming part of financial statements

Long Term investments :		
1)	<u>Quoted :</u>	
(i)	Shares	-
(a)	Equity	(-)
(b)	Preference	(-)
(ii)	Debentures and Bonds	(-)
(iii)	Units of mutual funds	(-)
(iv)	Government Securities	(-)
(v)	Others (please specify)	(-)

Disclosures in terms of Annex I in accordance with Master Direction issued by Reserve Bank of India (RBI) (continued)

5 Break-up of Investments:		
Long Term investments :		
2)	<u>Unquoted :</u>	
(i)	Shares	(-)
(a)	Equity	(-)
(b)	Preference	(-)
(ii)	Debentures and Bonds	(-)
(iii)	Units of mutual funds	(-)
(iv)	Government Securities	(-)
(v)	Others (please specify)	(-)

6 Borrower group-wise classification of assets financed as in (3) and (4) above:		Rs in lakhs		
1)	Category	Amount net of provisions		
		Secured	Unsecured	Total
	Related Parties			
(a)	Subsidiaries	-	-	-
(b)	Companies in the same group	(-)	(-)	(-)
(c)	Other related parties	-	-	-
		(-)	(-)	(-)
2)	Other than related parties	444,659.28	-	444,659.28
		(389,144.40)	(-)	(389,144.40)
	Total	444,659.28	-	444,659.28
		(389,144.40)	(-)	(389,144.40)

Note: Figures in the brackets represents figures for previous year

7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			Rs in lakhs
	Category	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)	
1)	Related Parties			
(a)	Subsidiaries	-	-	
		(-)	(-)	
(b)	Companies in the same group	-	-	
		(-)	(-)	
(c)	Other related parties	-	-	
		(-)	(-)	
2)	Other than related parties	-	-	
		(-)	(-)	
Total		-	-	
		(-)	(-)	

Note: Figures in the brackets represents figures for previous year

Disclosures in terms of Annex I in accordance with Master Direction issued by Reserve Bank of India (RBI) (continued)

8	Other information	Rs. in lakhs
	Particulars	Amount
(i)	Gross Non-Performing Assets	
(a)	Related parties	-
		(-)
(b)	Other than related parties	22,194.09
		(25,074.34)
(ii)	Net Non-Performing Assets	
(a)	Related parties	-
		(-)
(b)	Other than related parties	11,457.18
		(15,097.65)
(iii)	Assets acquired in satisfaction of debt	-
		(-)

Note: Figures in the brackets represents figures for previous year

26.39 Liquidity risk framework as per Appendix I of DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 4th November 2019

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Rs in lakhs				
Sr. No.	Number of Significant Counterparties	Amount	% of Total deposits	% of Total Liabilities (i.e. excluding Eq. and Reserve)
1	14	335,853	-	97.28%

*Borrowings exclude accrued interest, unamortized debt issuance cost

(ii) Top 20 large deposits (amount in ₹ Lakhs and % of total deposits) : **Not Applicable**

(iii) Top 10 borrowings (amount in ₹ Lakhs and % of total borrowings)

Rs in lakhs	
Amount	% of Total Borrowings
288,243	85.82%

(iv) Funding Concentration based on significant instrument/product

Rs in lakhs			
Sr.no	Name of the instrument/product	Amount	% of Total Liabilities (i.e. excluding Eq. and Reserve)
1	Term Loan	189,853	54.99%
2	Non-convertible debentures	115,000	33.31%
3	Commerical Papers	20,000	5.79%
4	Inter Corporate Deposit	11,000	3.19%
	Total	335,853	

(v) Stock Ratios:

Commercial papers as a % of total public funds, total liabilities and total assets

Rs in lakhs

Sr.no	Name of the instrument/product	Amount	% of Total Public Funds	% of Total Liabilities	% of Total Liabilities (excluding Eq. and Reserve)	% of Total Assets
1	Commercial papers (Gross of unamortized discount)	20,000	Nil	4.54%	5.79%	4.54%

Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets

Rs in lakhs

Sr.no	Name of the instrument/product	Amount	% of Total Public Funds	% of Total Liabilities	% of Total Liabilities (excluding Eq. and Reserve)	% of Total Assets
1	Non-convertible debentures	Nil	Nil	Nil	Nil	Nil

Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets

Rs in lakhs

Sr.no	Name of the instrument/product	Amount	% of Total Public Funds	% of Total Liabilities	% of Total Liabilities (excluding Eq. and Reserve)	% of Total Assets
1	Non-convertible debentures-becoming due within next 1 year	10,000	2.98%	2.27%	2.90%	2.27%
2	Term Loans-becoming due within next 1 year	66,420	19.78%	15.09%	19.24%	15.09%
3	Inter-Corporate Deposit	11,000	3.28%	2.50%	3.19%	2.50%

(vi) Institutional set-up for liquidity risk management :ALCO committee, ALCO support committee meets periodically to review cash position and take necessary actions .

26.40 Template for Disclosure in Notes to Financial Statements with reference to circular no.RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2021 & in terms of Annex XXVI in accordance with Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 updated as on 29th December 2022 issued by Reserve Bank of India (RBI)

Rs in lakhs

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS *	Loss Allowances (Provisions) as required under Ind AS 109	Net carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (6)
Performing Assets						
Standard	Stage 1	398,498.64	4,449.68	394,048.96	1,593.99	2,855.69
	Stage 2	23,966.55	1,882.23	22,084.32	95.87	1,786.36
Sub-total		422,465.19	6,331.91	416,133.28	1,689.86	4,642.05
Non-Performing Assets (NPA)						
Substandard	Stage 3	17,047.72	6,789.30	10,258.42	1,704.77	5,084.53
Doubtful - up to 1 year	Stage 3	5,016.82	3,818.74	1,198.08	1,003.36	2,815.38
1 to 3 years	Stage 3	128.22	127.53	0.69	38.47	89.06
More than 3 years	Stage 3	1.34	1.34	(0.00)	0.67	0.67
Subtotal for doubtful		5,146.37	3,947.61	1,198.77	1,042.50	2,905.11
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		22,194.09	10,736.90	11,457.18	2,747.27	7,989.64
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	398,498.64	4,449.68	394,048.96	1,593.99	2,855.69
	Stage 2	23,966.55	1,882.23	22,084.32	95.87	1,786.36
	Stage 3	22,194.09	10,736.90	11,457.18	2,747.27	7,989.64
	Total	444,659.28	17,068.81	427,590.46	4,437.13	12,631.69

26.41 Template for Disclosure in Notes to Financial Statements with reference to circular no.RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated 19 April 2022 & with reference to circular DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 on 'Scale Based Regulation (SBR).

A Exposure		
1 Exposure to real estate sector	Current Year	Previous Year
a) Direct Exposure	Nil	Nil
b) Indirect Exposure	Nil	Nil
2 Exposure to Capital Market		
Total Exposure	Nil	Nil

3 Sectoral exposure

Amt in INR Lakhs

Sectors	Current Year			Previous Year		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakhs)	Gross NPAs (Lakhs)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakhs)	Gross NPAs (₹ Lakhs)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	394,683.80	21,676.07	5.49%	358,225.18	24,436.29	6.82%
2. Industry						
i	-	-	-			
ii	-	-	-			
Others	-	-	-			
Total of Industry	-	-	-			
3. Services						
i	-	-	-			
ii	-	-	-			
Others	-	-	-			
Total of Services						
4. Personal Loans						
i	-	-	-			
ii	-	-	-			
Others	-	-	-			
Total of Personal Loans	-	-	-			
5. Others, if any (please specify)						
Construction equipments	49,975.47	518.02	1.04%	30,918.20	638.04	2.06%

4 Intra-group exposures - Nil

5 Unhedged foreign currency exposure

Refer Note No. 26.17 C (ii): Exposure to foreign Currency risk

B Related Party Disclosure

Related Party	Parent (as per ownership or control)		Associates/Joint ventures		Key Management Personnel (KMP)		Others		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Borrowings	11,000	24,900	-	-	-	-	-	-	11,000	24,900
Deposits	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	2	-	-	-	-	-	437	-	439	-
Interest paid	462	402	-	-	-	-	-	-	462	402
Interest received	-	-	-	-	-	-	-	-	-	-
Services received (excluding GST)	2,957	1,705	-	-	-	-	263	301	3,219	2,006
Income from Operations – Service Charges Received	-	-	-	-	-	-	(1,540)	(1,092)	(1,540)	(1,092)
Mfg Subsidy \ Incentives	1,628	2,075	-	-	-	-	254	156	1,882	2,231
Reimbursement of expenses Paid	61	127	-	-	-	-	2,157	1,789	2,218	1,916
Leases	184	44	-	-	-	-	-	-	184	44
Remuneration	-	-	-	-	334	298	-	-	334	298
Dividend Paid	1,072	536	-	-	-	-	-	-	1,072	536
Others	-	-	-	-	-	-	-	-	-	-

*There are no transactions with relatives of KMP. The company does not have any subsidiaries.

C Disclosure of complaints

Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsmen

Sr No.	Particulars	Current Year	Previous Year
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	2	1
2	Number of complaints received during the year	45	44
3	Number of complaints resolved during the year	47	43
	Of which, number of complaints rejected by the NBFC	0	0
4	Number of complaints pending at the end of the year	0	2
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	15	3
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	15	3
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	NA	NA
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	NA	NA
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	NA	NA

2 Top five grounds of complaints received by the NBFCs from customers

Current Year

Grounds of complaints	As on March 31, 2022	Received during 2022-23	Resolved during 2022-23	Pending as on March 31, 2023	No. of complaints escalated to RBI/ received through RBI
Difficulty in operation of accounts		1	1		
Levy of charges without prior notice/ excessive charges/ foreclosure charges		4	4		3
Loans and advances	1	33	34		11
Mis-selling		2	2		
Others		1	1		
Staff behaviour	1	4	5		1
Total	2	45	47	0	15

Previous Year

Grounds of complaints	As on March 31, 2021	Received during 2021-22	Resolved during 2021-22	Pending as on March 31, 2022	No. of complaints escalated to RBI/ received through RBI
Levy of charges without prior notice/ excessive charges/ foreclosure charges		3	3		
Loans and advances		30	29	1	2
Others	1	4	5		1
Staff behaviour		7	6	1	
Total	1	44	43	2	3

26.42 Name of Debenture Trustee (As required by Regulation 53(1) (e) of SEBI LODR Regulations 2015)

Catalyst Trusteeship Limited, Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098, Tel : 022-49220520, Website: WWW.catalysttrustee.com

John Deere Financial India Private Limited
Notes forming part of financial statements

26.43 Frauds Reported During the period (in accordance with the RBI notification No. DNBS.PD.CC. No. 256/03.10.042/2011-12 dated March 2, 2012)

There were 8 Cases (31st March 2022-9 cases) of Frauds amounting to Rs.24.34 (31st March 2022 -INR 64.11 Lakh) reported during the year. The company has recovered an amount of INR 19.02 Lakhs (31st Mar 2022 - INR 39.96) as of 31st Mar 2023 and wherever required initiated appropriate legal action against the individuals involved. The claims for uncovered losses are lodged with insurance companies on merit basis.

26.44 The Company has established a system of maintenance of information and documents as required by the transfer pricing legislation under Section 92-92F of the Income Tax Act, 1961. The Company is in the process of updating the documentation for the financial year 2022-23. The management is of the opinion that its international transactions are at arm's length and accordingly the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

26.45 As per the MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain back-up of the books of account and other relevant books and papers in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of accounts on servers physically located in India on a daily basis. The books of account along with other relevant records and papers of the Company are maintained in electronic mode. These are readily accessible in India at all times and currently a backup is maintained on a cloud-based server. The Company is in the process of complying with the requirement of maintaining server(s) physically located in India for back-up of books of account and other relevant books and papers, on a daily basis, pursuant to the amendment.

In terms of our report attached

For BK Khare & Co

Chartered Accountants

Firm Reg. No. 105102W

Shirish Suresh
Rahalkar
Digitally signed by
Shirish Suresh Rahalkar
Date: 2023.04.24
23:18:41 +05'30'

Shirish Rahalkar

Partner

Membership No. 111212

Place: Mumbai

Date: 24th April 2023

For and on behalf of the Board of Directors

John Deere Financial India Private Limited

CIN: U65923PN2011PTC141149

**ABHAY
DINKAR
DHOKTE**

Abhay Dhokte
Managing Director
(DIN 08481252)

**ANKUSH
PANDURANG
LAWATE**

Ankush Lawate
Company Secretary

Place: Pune

Date: 24th April 2023

**AJIT
PRAKASH
JAIN**

Ajit Jain
Director
(DIN 07021106)

**Girish
Sivaramakrishnan**

Girish Sivaramakrishnan
Chief Financial Officer