

B. K. Khare & Co. Chartered Accountants

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

INDEPENDENT AUDITOR'S REPORT

To
The Members of
John Deere Financial India Private Limited

Report on the Audit of the Financial Statements

Opinion

1. 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, 2022, and the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards as 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, 2022, its profit and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Companies Act, 2013 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

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS Financial Statements of the current year. These matters were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters



B. K. Khare & Co. Chartered Accountants

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

Impairment of loans to Customer

Charge to P&L – Rs.4,953.21 Lakhs, Outstanding provision as on 31st march 2022 – Rs.15,604.77 Lakhs. Refer note no. 23 and 7 to the financial statements

The key audit matter	How the matter was addressed in our audit
<p>Subjective estimate</p> <p>Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using 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 	<p>Design/Controls</p> <p>We performed end to end process walkthroughs to identify the key systems, applications and 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



B. K. Khare & Co. Chartered Accountants

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

<p>reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount.</p> <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>management systems, including system access and system change management, program development and computer operations.</p> <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 current economic environment on the ECL determination. <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 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;



B. K. Khare & Co.

Chartered Accountants

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

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.

- 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;
- 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.

Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and databases



B. K. Khare & Co.

Chartered Accountants

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

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information in the Annual report but does not include the Financial Statements and our Auditors' Report thereon.
6. Our opinion on Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. 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.
8. 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.

Management's and Board of Directors responsibility for the Financial Statements

9. The Company's Management and Board of Directors are responsible for the preparation and presentation of these Financial Statements, that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the Financial Statements by the Directors of the Company, as aforesaid.
10. 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.

Auditor's Responsibilities for the Audit of the Financial Statements

11. 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.



B. K. Khare & Co.

Chartered Accountants

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

12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - 12.1 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.
 - 12.2 Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.
 - 12.3 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - 12.4 Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - 12.5 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.
13. 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.
14. 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.
15. 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.



B. K. Khare & Co.

Chartered Accountants

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

Report on Other Legal and Regulatory Requirements

16. 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.
17. As required by Section 143(3) of the Act, we report that:
 - 17.1 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.
 - 17.2 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.
 - 17.3 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.
 - 17.4 In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - 17.5 On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - 17.6 With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 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.
 - 17.7 In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.
18. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - 18.1 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;
 - 18.2 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
 - 18.3 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - 18.4 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



B. K. Khare & Co. Chartered Accountants

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

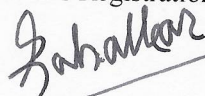
the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on such audit procedures, considered reasonable and appropriate, adopted by us, nothing has come to our notice indicating that such representation contains any material misstatement.

- 18.5 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. Based on such audit procedures, considered reasonable and appropriate, adopted by us, nothing has come to our notice indicating that such representation contains any material misstatement.
- 18.6 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 (18.5) and (18.7) contain any material misstatement.
- 18.7 The dividend (declared/paid/declared and paid) during the year by the Company is in compliance with Section 123 of the Act.

Other matters

19. Attention is drawn to the fact that the audited financial results of the Company for the year ended 31 March 2021 were audited by erstwhile auditors whose report dated 05 May 2021, expressed an unmodified opinion on those audited the financial statements. Our opinion is not modified in respect of these matters.

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



Shirish Rahalkar
Partner

Membership No. 111212
UDIN: 22111212AHSNOK7935
Mumbai, April 25, 2022



B. K. Khare & Co. Chartered Accountants

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

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, 2022 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.



B. K. Khare & Co. Chartered Accountants

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

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 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.

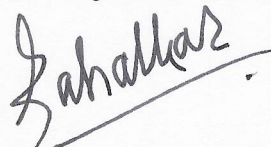
Opinion

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, 2022, 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 Registration No. 105102W



Shirish Rahalkar

Partner

Membership No. 111212

UDIN: 22111212AHSNOK7935

Mumbai, April 25, 2022

B. K. Khare & Co. Chartered Accountants

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

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, 2022]

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 Company has a regular programme for physical verification of its property, plant and equipment by which the property, plant and equipment are verified by the management according to a phased programme designed to cover all the items over a period of two years. 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. In accordance with the programme, the Company has physically verified certain property, plant and equipment during the year and no material discrepancies were noticed on such verification.

(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



B. K. Khare & Co.

Chartered Accountants

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

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 course of its periodic regulatory reporting. Refer note 26.17 to the Standalone Ind AS Financial Statements for summarised details of such loans/advances which are not repaid by 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 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, 2022, 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, 2022, which have not been deposited with the appropriate authorities on account of a dispute, are as under:



B. K. Khare & Co.

Chartered Accountants

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

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)	9,13,76,870	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.
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.



B. K. Khare & Co.

Chartered Accountants

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

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.64.11 lakhs; recovered Rs. 39.96 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) of the Order is not applicable to the Company.
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.
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.

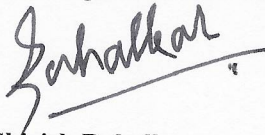


B. K. Khare & Co. Chartered Accountants

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

18. During the year, M/s BSR & Associates LLP, the Statutory auditors of the Company have resigned with effect from November 12, 2021 consequent to amended rules/regulations applicable to the Company. (i.e. vide RBI circular dated April 27, 2021). As informed, there have been no issues, objections or concerns raised by the said outgoing auditors.
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) 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 Registration No. 105102W





Shirish Rahalkar
Partner
Membership No. 111212
UDIN: 22111212AHSNOK7935
Mumbai, April 25, 2022

John Deere Financial India Private Limited
Balance Sheet as at March 31, 2022

Rs. in Lakhs

Particulars		Note No.	As at March 31, 2022	As at March 31, 2021
A	ASSETS			
1	Financial Assets			
	(a) Cash and cash equivalents	4	9,102.06	6,493.73
	(b) Bank balance other than (a) above	5	0.56	0.62
	(c) Receivables- Trade receivables	6	987.42	518.62
	(d) Loans	7	373,539.63	333,712.45
	(e) Other financial assets	8	67.68	70.08
	Total financial assets		383,697.35	340,795.50
2	Non-financial Assets			
	(a) Current tax asset (net)	26.11	1,253.75	391.40
	(b) Deferred tax assets (net)	9 (a)	5,447.56	3,947.47
	(c) Property, plant and equipment		298.04	302.84
	(d) Capital work-in-progress		-	0.13
	(e) Right of use assets	9 (b)	775.23	232.59
	(f) Other intangible assets	9 (c)	19.52	24.86
	(g) Other non financial assets	10	932.14	719.77
	Total non-financial assets		8,726.24	5,619.06
	Total assets		392,423.59	346,414.56
B	LIABILITIES AND EQUITY			
	Liabilities			
1	Financial liabilities			
	(a) Derivative financial Instruments	11	1,651.19	1,300.89
	(b) Payables	12		
	(i) Trade payables			
	-total outstanding dues of micro enterprises and		-	0.10
	-total outstanding dues of creditors other than		3,614.33	5,250.52
	micro enterprises and small enterprises			
	(ii) Other Payables			
	-total outstanding dues of micro enterprises and		-	-
	-total outstanding dues of creditors other than		-	-
	micro enterprises and small enterprises			
	(c) Debt securities	13	132,492.47	122,996.80
	(d) Borrowings (Other than debt securities)	14	170,377.04	143,575.42
	(e) Lease liabilities		796.94	254.85
	(f) Other financial liabilities	15	794.44	710.08
	Total financial liabilities		309,726.41	274,088.66
2	Non-financial liabilities			
	(a) Provisions	16	706.06	572.87
	(b) Other Non financial liabilities	17	202.06	242.19
	Total non financial liabilities		908.12	815.06
3	EQUITY			
	(a) Equity share capital	18	53,590.00	53,590.00
	(b) Other equity	19	28,199.06	17,920.84
	Total equity		81,789.06	71,510.84
	Total liabilities and equity		392,423.59	346,414.56

Significant accounting policies 2
Notes to the financial statements 1-26.42
As per our report of even date attached

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

Shirish Rahalkar
Shirish Rahalkar
Partner

Membership No. 111212

Place : Mumbai
Date : 25th April 2022



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

Abhay Dhokte
Abhay Dhokte
Managing Director
(DIN 08481252)

Vaishnavi Suratwala
Vaishnavi Suratwala
Company Secretary
Place : Pune
Date : 25th April 2022

Ajit Jain
Ajit Jain
Director
(DIN 07021106)

Girish Sivaramkrishnan
Girish Sivaramkrishnan
Chief Financial Officer

John Deere Financial India Private Limited
Statement of Profit and Loss for the year ended March 31, 2022

Rs. in Lakhs

Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
I Revenue from operations			
(a) Interest income	20	56,893.61	44,246.27
(b) Other operating income		470.28	326.52
Total revenue from operations		57,363.89	44,572.79
II Other income	21	1,145.89	1,041.26
III Total Income (I+II)		58,509.78	45,614.05
IV Expenses			
(a) Finance cost	22	18,250.95	16,850.05
(b) Net loss on fair value changes on financial instruments at FVTPL	26.15	375.78	1,163.18
(c) Impairment on financial instruments	23	10,145.46	6,165.66
(d) Employee benefits expense	24	5,708.55	4,670.36
(e) Depreciation and amortization expense	9	293.18	243.04
(f) Other expenses	25	9,224.11	6,875.59
V Total expenses		43,998.03	35,967.88
VI Profit before tax (III - V)		14,511.75	9,646.17
VII Tax expense:			
Current tax	26.11	5,180.14	4,079.24
(Excess)/short provision for tax relating to prior year		(28.78)	-
Deferred tax	26.11	(1,500.09)	(1,836.10)
VIII Net profit after tax for the period (VI - VII)		10,860.48	7,403.03
IX Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurement of Defined benefit liability/(asset)	26.04	(61.94)	55.62
(ii) Income tax relating to items that will not be reclassified to profit or loss	26.11	15.59	(14.00)
Total Other Comprehensive Income/(Loss)		(46.35)	41.62
X Total Comprehensive Income (VIII + IX)		10,814.13	7,444.65
IX Earnings per equity share (face value of Rs.10 each)			
Basic and Diluted (face value of Rs.10 each)	26.08	2.03	1.64

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

2
1-26.42

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

Shirish Rahalkar



Shirish Rahalkar
Partner
Membership No. 111212

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

Abhay Dhokte
Abhay Dhokte
Managing Director
(DIN 08481252)

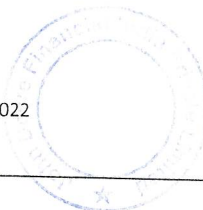
Vaishnavi Surawala
Vaishnavi Surawala
Company Secretary

Ajit Jain
Ajit Jain
Director
(DIN 07021106)

Girish Sivaramakrishnan
Girish Sivaramakrishnan
Chief Financial Officer

Place : Mumbai
Date : 25th April 2022

Place : Pune
Date : 25th April 2022



John Deere Financial India Private Limited
Cash Flow Statement for the year ended March 31, 2022

Particulars	Rs. in Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021
I. Operating Activities		
Profit before tax		
Adjustments for:	14,511.75	9,646.17
Depreciation and amortization		
Interest Income on loans	293.17	243.04
Interest Income on fixed deposits	(56,893.61)	(44,246.27)
Finance cost	(32.29)	(35.01)
Insurance claim received	18,250.95	16,850.04
(Profit) / loss on sale of assets	-	(0.17)
Unrealized forex (gain)/ loss on borrowings	1.48	0.16
Unrealized forex loss/(gain) on derivative instrument	393.21	(320.45)
Impairment on financial instruments	350.30	1,146.44
	10,145.46	6,165.66
Cash inflow from interest on loans	(12,979.58)	(10,550.39)
Cash outflow towards finance cost	55,764.65	41,087.91
Cash Generated from Operation before working capital changes	(18,207.98)	(14,568.00)
	24,577.09	15,969.52
Working capital changes		
Adjustments for :		
(Increase) / Decrease in Loans		
(Increase) / Decrease in Other Financial Assets	(48,843.69)	(97,508.60)
(Increase) / Decrease in Non-Financial Assets	2.53	(3.46)
(Increase) / Decrease in Trade Receivables	(212.37)	(8.65)
Increase / (Decrease) in Provision	(468.81)	(252.18)
Increase / (Decrease) in Trade and Other payables	71.25	(6,091.27)
Increase / (Decrease) in Other Financial Liabilities	(1,636.30)	4,107.02
Increase / (Decrease) in Other Non- Financial Liabilities	84.36	242.80
	(40.13)	143.24
Taxes paid	(26,466.07)	(83,401.58)
Net Cash used in Operating activities (A)	(5,998.12)	(4,069.49)
	(32,464.19)	(87,471.07)
II. Investing activities		
Purchase of fixed assets and intangible assets		
Insurance claim received	(134.69)	(212.39)
Interest received	-	0.17
Net cash used in Investing activities (B)	32.24	34.98
	(102.45)	(177.24)
III. Financing activities		
Proceeds from Issue of share capital		
Proceeds from Securities premium	-	14,200.00
Proceeds from Borrowings (other than debt securities)	-	2,059.00
Proceeds from Debt Securities	134,500.00	112,500.00
Repayment of Borrowings (other than debt securities)	89,556.12	71,703.14
Repayment of Debt Securities	(83,295.00)	(79,100.00)
Proceeds from Inter corporate deposits	(80,000.00)	(60,000.00)
Repayment of Inter corporate deposits	28,000.00	84,400.00
Repayment of lease liabilities	(52,900.00)	(59,500.00)
Dividend Paid	(150.26)	(144.53)
Net cash generated from Financing activities (C)	(535.90)	-
	35,174.96	86,117.61
Net increase/(decrease) in cash and cash equivalents (A+B+C)		
Cash and cash equivalents at the beginning of the period	2,608.33	(1,530.69)
Cash and cash equivalents at the end of the period*	6,493.73	8,024.42
	9,102.06	6,493.73
Notes:		
* Comprises:		
(a) Remittance in transit (Refer note 4)		
(b) Balances with bank (Refer note 4)	59.57	67.69
	9,042.49	6,426.04
	9,102.06	6,493.73

As per our report of even date attached
For BK Khare & Co
Chartered Accountants
Firm Reg. No. 105102W

Shirish Rahalkar
Shirish Rahalkar
Partner

Membership No. 111212
Place : Mumbai
Date : 25th April 2022



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

Abhay Dhokte
Abhay Dhokte
Managing Director
(DIN 08481252)

Vaishnavi Suratwala
Vaishnavi Suratwala
Company Secretary
Place : Pune
Date : 25th April 2022

Pratik Jain
Pratik Jain
Director
(DIN 07021106)

Girish Sivaramakrishnan
Girish Sivaramakrishnan
Chief Financial Officer



John Deere Financial India Private Limited
Statement of Changes in Equity for year ended 31 March 2022

a. Equity share capital

Particulars	Rs.
Balance at March 31, 2020	
Changes in equity share capital during the year	39,390.00
Balance at March 31, 2021	14,200.00
Changes in equity share capital during the year	53,590.00
Balance at March 31, 2022	-
	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, 2020	165.00	1,732.95	6,552.38	(33.14)	8,417.19
Profit for the year	-	-	7,403.03	-	7,403.03
Other comprehensive income for the year, net of income tax	-	-	-	41.62	41.62
Total comprehensive income for the year	-	-	7,403.03	41.62	7,444.65
Premium on issue of Equity Shares	2,059.00	-	-	-	2,059.00
Transfer to Statutory Reserve	-	1,488.93	(1,488.93)	-	-
Balance at March 31, 2021	2,224.00	3,221.88	12,466.48	8.48	17,920.84
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
Premium on issue of Equity Shares	-	-	-	-	-
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


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

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




Shirish Rahalkar
Partner
Membership No. 111212
Place : Mumbai
Date : 25th April 2022


Abhay Dhokte
Managing Director
(DIN 08481252)


Vaishnavi Suratwala
Company Secretary
Place : Pune
Date : 25th April 2022


Ajit Jain
Director
(DIN 07021106)


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 1st April 2022 issued by the Reserve Bank of India (RBI).

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:

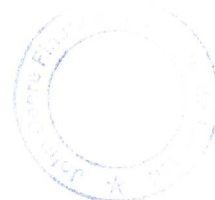
The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

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.



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

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.

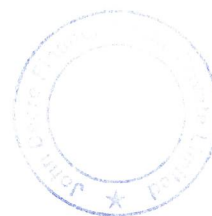
The EIR amortization is included in finance income in the profit and loss statement. The losses arising from impairment are recognized in the profit and loss statement. The carrying value of the financial asset is fair valued by discounting the contractual cash flows over contractual tenure basis the 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.

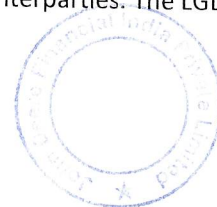
Assessment of significant increase in credit risk:

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:

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



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

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



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

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.

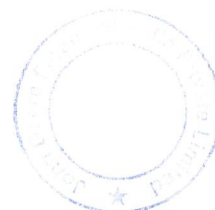
Depreciation and Amortization:

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.*

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



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

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.

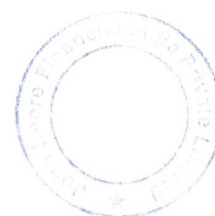
When an impairment loss subsequently reverses, the carrying amount of the asset of cash generating unit is increased to the revised estimate of a recoverable amount, not exceeding the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash generating 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.



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

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.

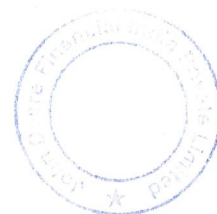
Other long-term employee benefits

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.



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

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.

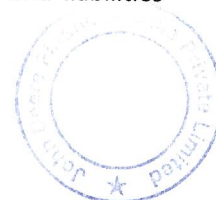
The defined benefit obligation recognized in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions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



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

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).

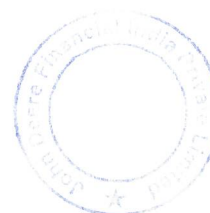
2.19 Taxation:

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



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

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.

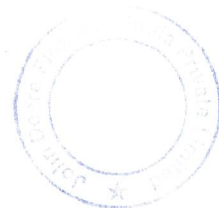
Current tax and deferred tax for the year

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 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).



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

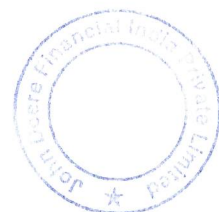
When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

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. There is no such notification, which would have been applicable from 01 April 2022.



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

Note 4: Cash and cash equivalents

Particulars	Rs. in Lakhs	
	As at March 31, 2022	As at March 31, 2021
(a) Balances with banks	9,042.49	6,426.04
(b) Remittance in transit	59.57	67.69
Total	9,102.06	6,493.73

Note 5: Bank balances other than cash and cash equivalents

Particulars	Rs. in Lakhs	
	As at March 31, 2022	As at March 31, 2021
(a) Deposit with bank	0.56	0.62
Total	0.56	0.62

Note 6 : Receivables - Trade Receivables

Particulars	Rs. in Lakhs					
	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 significant increase in credit risk	-	-	-	-	-	-
Trade receivables-Credit Impaired	-	-	-	-	-	-
Disputed						
Trade receivables- considered Good	-	-	-	-	-	-
Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-
Trade receivables-Credit Impaired	-	-	-	-	-	-
unbilled						
Total Receivables	987.42	-	-	-	-	987.42

Particulars	Rs. in Lakhs					
	Outstanding from the due date of payment as March 31, 2021					
	< 6 months	6months- 1Year	1-2 years	2 - 3 years	>3 years	Total
Undisputed						
Trade receivables- considered Good	518.18	0.36	0.08	-	-	518.62
Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-
Trade receivables-Credit Impaired	-	-	-	-	-	-
Disputed						
Trade receivables- considered Good	-	-	-	-	-	-
Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-
Trade receivables-Credit Impaired	-	-	-	-	-	-
unbilled - Not Due						
Total Receivables	518.18	0.36	0.08	-	-	518.62



Note 7: Loans

Particulars	Rs. in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Secured Term Loans at Amortized cost within India		
Secured Term Loans to customers under Financing Activities	379,037.07	335,385.63
Interest accrued but not due on loans to customers	10,107.33	8,978.37
Total (Gross)	389,144.40	344,364.00
Less : Impairment loss allowance	(15,604.77)	(10,651.55)
Total	373,539.63	333,712.45

Note 8: Other financial assets

Particulars	Rs. in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Security Deposits	67.68	70.08
Total	67.68	70.08

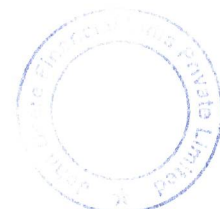


John Deere Financial India Private Limited
Notes forming part of the financial statements

Note 9 (a): Property, plant and equipment

Description	Rs. in Lakhs		
	Computers and Networking Equipment	Furniture and Fittings	Total
Cost			
Balance as at April 1, 2021	499.55	36.18	535.73
Additions	131.93	0.00	131.93
Disposals	38.01	0.00	38.01
Balance as at March 31, 2022	593.47	36.18	629.65
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	35.70	0.00	35.70
Balance as at March 31, 2022	314.24	17.37	331.61
Net carrying amount as on March 31, 2022	279.23	18.81	298.04

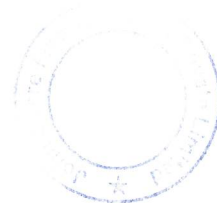
Description	Rs. in Lakhs		
	Computers and Networking Equipment	Furniture and Fittings	Total
Cost			
Balance as at April 1, 2020	282.61	36.18	318.79
Additions	223.45	0.00	223.45
Disposals	6.51	0.00	6.51
Balance as at March 31, 2021	499.55	36.18	535.73
Accumulated depreciation			
Balance as at April 1, 2020	122.19	10.40	132.59
Depreciation for the year	100.06	6.55	106.61
Eliminated on disposal of assets	6.31	0.00	6.31
Balance as at March 31, 2021	215.94	16.95	232.89
Net carrying amount as on March 31, 2021	283.61	19.23	302.84



Note 9 (b): Right of Use Asset

		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

		Rs. in Lakhs
Description	Total	
Cost		
Balance as at April 1, 2020		388.41
Additions		108.25
Disposals		-
Balance as at March 31, 2021		496.66
Accumulated depreciation		
Balance as at April 1, 2020		128.36
Depreciation for the year		135.71
Eliminated on disposal of assets		-
Balance as at March 31, 2021		264.07
Net carrying amount as on March 31, 2021		232.59



Note 9 (c): Intangible assets

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

Description	Software	Total
Cost		
Balance as at April 1, 2020	-	-
Additions	25.57	25.57
Disposals	-	-
Balance as at March 31, 2021	25.57	25.57
Accumulated depreciation		
Balance as at April 1, 2020	-	-
Depreciation for the year	0.71	0.71
Disposals	-	-
Balance as at March 31, 2021	0.71	0.71
Net carrying amount as on March 31, 2021	24.86	24.86

Note:

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

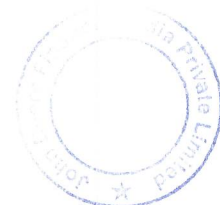
Note 10: Other non-financial assets-unsecured considered good

Rs. in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Balances with Government authorities-		
(i) GST credit receivable	206.98	261.38
(ii) GST refund on export services	386.34	198.11
(b) Prepaid expenses	1.52	75.95
(c) Advance to suppliers	281.49	156.68
(d) Employee advances	55.81	22.15
(e) Prepaid Pension	-	5.50
Total	932.14	719.77

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	As at March 31, 2022	As at March 31, 2021
Foreign currency forward Contract not designated in hedge accounting relationship	1,651.19	1,300.89
Total	1,651.19	1,300.89

Note 12: Trade Payables

Rs. in Lakhs

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

Particulars	Outstanding for the following periods from the due date of Payment as at March 31, 2021				
	Less than 1 Year	1-2 years	2 - 3 years	More than 3 years	Total
Undisputed					
MSME	0.10	-	-	-	0.10
Others	5,250.15	0.05	0.32	-	5,250.52
Disputed					
MSME	-	-	-	-	-
Others	-	-	-	-	-
Unbilled Due *	-	-	-	-	-
Total	5,250.25	0.05	0.32	-	5,250.62

Note 13 : Debt Securities

Rs. in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
At amortized cost		
Unsecured		
(a) Privately placed non-convertible debentures	122,572.39	122,996.80
(b) Commercial papers (net of unamortized discounting charges)	9,920.08	-
Total (a+b)	132,492.47	122,996.80
Debt securities in India	132,492.47	122,996.80
Debt securities outside India	-	-
Total Debt securities	132,492.47	122,996.80



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 Date
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
As at March 31, 2021			
9.45% Non-Convertible Debentures (Privately Placed)	5,000	50,000	10-Jan-22
7.1% Non-Convertible Debentures (Privately Placed)	1,000	10,000	1-Jun-23
6.2% Non-Convertible Debentures (Privately Placed)	2,000	20,000	15-Sep-21
6.4% Non-Convertible Debentures (Privately Placed)	1,000	10,000	15-Sep-22
5.75% Non-Convertible Debentures (Privately Placed)	3,000	30,000	20-Jan-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	6-Jun-22

Particulars of Commercial papers outstanding as on March 31, 2021

Description of CPs	Number of CPs	Rs. in Lakhs	Redemption Date
Commercial papers	-	-	-

Note 14: Borrowings (Other than debt securities)

Rs. in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
At amortized cost		
(a) Term loans		
Unsecured Loans from banks	170,377.04	101,091.56
(b) Loans repayable on demand		
Unsecured Loans from banks-working Capital Demand Loan	-	17,537.70
(c) Intercompany Loan - JDI	-	24,946.16
Total	170,377.04	143,575.42
Borrowings in India	157,488.83	131,073.97
Borrowings outside India	12,888.21	12,501.45
Total	170,377.04	143,575.42



John Deere Financial India Private Limited
Term Loan Repayment

Particulars	Rs. in Lakhs			
	Year of repayment			
	FY-2025-26	FY-2024-25	FY-2023-24	FY-2022-23
Standard Chartered Bank Term loan commencing from 23rd May 2017 (Note i & ii)		-	-	31,500.00
MUFG Bank Ltd, India Term loan commencing from 20th September 2020 (Note i)	1,875.00	4,800.00	7,200.00	5,042.50
HDFC Bank Term loan commencing from 23rd March 2021 (Note i)	5,437.50	15,875.00	14,000.00	13,875.00
Axis Bank Term loan commencing from 22nd January 2021 (Note i)	1,250.00	14,000.00	11,200.00	7,400.00
Bank of America Term loan commencing from 24th Sept 2020 (Note i)		2,500.00	6,350.00	4,750.00
Credit Agricol Bank Term loan commencing from 22nd Feb 2022 (Note i)		5,900.00	2,900.00	1,200.00
HSBC Loan Term loan commencing from 4th and 24th March 2020 (Note iii)		-	-	12,888.21
Total	8,562.50	43,075.00	41,650.00	76,655.71

- i) Of the above , term loans of amount Rs. 1,25,555 lakhs are repayable in quarterly installments
ii) Term loans of amount Rs.31,500 lakhs are repayable in five monthly installments starting from 33rd month to the 37th month from the date of commencement.
iii) Term loan amounting to Rs. 12,888 lakhs is payable in bullet installment at the end of the loan.
iv) Term loan of amount Rs.76,655.71 lakhs is repayable in FY 2022-23
v) There is no working capital demand loan outstanding as on reporting date.
vi) Term Loan of Rs. 170,377.04 lakhs includes Principal amount of Rs. 169,943.21 lakhs and Interest accrued but not due of Rs. 433.83 lakhs.
vii) Term loan and Working capital loan interest rate ranges from 4.15% to 8.30%, Intercorporate loan interest rate is 5.65 to 5.80%.

Note 15 : Other financial liabilities Rs. in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Accrued employee cost	671.90	496.39
(b) Payable to customers	122.54	213.69
Total	794.44	710.08

Note 16: Provisions Rs. in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Provision for compensated absence	626.42	556.01
(b) Provision for gratuity	79.64	16.86
Total	706.06	572.87

Note 17 : Other Non financial Liabilities Rs. in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Statutory dues	202.06	242.19
Total	202.06	242.19



John Deere Financial India Private Limited

Notes forming part of the financial statements

Note 18 : Equity Share Capital

Particulars	Rs. in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Authorised:		
800,000,000 Equity shares of Rs. 10 (31 March 2021: 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 2021: 535,900,000)	53,590.00	53,590.00
Total	53,590.00	53,590.00

Note

- 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.
- 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.
- 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, 2020	393,900,000	39,390.00
Add: Equity shares issued during the year	142,000,000	14,200.00
Balance as on March 31, 2021	535,900,000	53,590.00
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

- 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, 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
As at March 31, 2021	
- 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, 2022		
John Deere India Private Limited (the Holding Company)	535,899,990	100.00
As at March 31, 2021		
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, 2022	As at March 31, 2021
(a) Statutory Reserve u/s 45IC of RBI Act, 1934	5,384.71	3,221.88
(b) Retained earnings		
Balance at the beginning of the year	12,466.48	6,552.38
Add: Profit for the year	10,860.48	7,403.03
Less: Transfer to Statutory Reserve	(2,162.83)	(1,488.93)
Less : Dividend paid during the year	(535.90)	
Closing balance at the end of the year	20,628.23	12,466.48
(c) Other comprehensive income arising from remeasurement of defined employee benefit plans (net of deferred tax)	(37.88)	8.48
(d) Securities Premium	2,224.00	2,224.00
Total	28,199.06	17,920.84



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, 2022	Year ended March 31, 2021
Revenue from operations		
(i) Interest income	56,893.61	44,246.27
(ii) Other operating income	470.28	326.52
Total	57,363.89	44,572.79

Note 21 : Other income

Rs. in Lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on fixed deposits with bank	32.29	35.01
Management fees income	1,109.98	678.18
Insurance claim received	-	0.17
Miscellaneous Income	3.62	-
Foreign exchange Gain (Net)	-	327.90
Total	1,145.89	1,041.26

Note 22: Finance Cost

Rs. in Lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
At amortized cost		
(i) Interest on borrowings from banks	8,298.55	5,169.47
(ii) Interest on debt securities	9,418.79	8,582.01
(iii) Inter corporate deposit	401.72	1,194.48
(iv) Discounting charges on commercial paper	117.88	1,663.79
(v) Interest expenses on Lease	12.43	20.13
(vi) Other issuance cost	1.58	220.17
Total	18,250.95	16,850.05

Note 23: Impairment on financial instruments

Rs. in Lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
On Financial instruments measured at Amortized Cost		
Write off (net of recoveries)	5,192.25	1,364.59
Allowance for loan losses	4,953.21	4,801.07
Total	10,145.46	6,165.66

Note 24: Employee benefits expense

Rs. in Lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	5,405.39	4,461.23
Contributions to provident and other funds	179.38	165.51
Share Based Payments to employees	37.91	27.85
Staff welfare expenses	85.87	15.77
Total	5,708.55	4,670.36

Note 25: Other expenses

Rs. in Lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Facility cost	141.74	235.96
Repairs and maintenance - others	-	-
Insurance	57.52	47.79
Communication expenses	51.02	33.20
Travelling and conveyance	1,207.59	647.76
Marketing expenses	38.67	19.30
Legal and professional	472.80	277.34
Outsourcing Cost	209.33	245.85
Payment to Auditors	30.86	24.61
Foreign exchange loss (net)	391.37	-
Fixed assets written off	1.48	0.16
Management fees expense	1,154.29	1,343.06
Contract labour expenses	1,771.82	1,390.24
Information system expenses	2,978.26	2,131.72
Recruitment and training expenses	59.20	21.45
CSR Expenses	110.29	55.45
Bank charges	124.56	87.64
Printing and Stationery	53.78	61.03
Courier Services	111.38	82.20
Meeting expenses	85.95	26.96
Document storage cost	25.51	18.52
Miscellaneous expenses	146.69	125.35
Total	9,224.11	6,875.59



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

26.01 Contingent liabilities and Commitments :-

Contingent liabilities

Particulars	Rs in lakhs	
	31-Mar-22	31-Mar-21
Consumer Redressal Matters*		1.00
GST matters	2.00	11.60
Income Tax matters	219.17	-
Total	913.77	-
	1,134.94	12.60

*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

Particulars	Rs in lakhs	
	31-Mar-22	31-Mar-21
Estimated amount of capital contracts to be executed on capital account and not provided for (net of advance)	0.69	5.40
Loan to customer under financing activities	505.03	2,138.30

26.02 Payment to Auditors :

Particulars	Rs in lakhs	
	31-Mar-22	31-Mar-21
As Auditors		
a) Statutory audit		
b) Tax Audit	22.80	21.03
In other capacity -	1.06	1.06
Certification		
For reimbursement of expenses	1.54	1.54
Total*	1.24	0.24
	26.64	23.87

*Exclusive of taxes of Rs.4.22 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	Rs in lakhs			
	31-Mar-22		31-Mar-21	
	Amount in original currency	Amount in INR	Amount in original currency	Amount in INR
Receivables				
a) USD				
b) THB	6.52	493.95	2.95	216.79
c) AUD	3.22	7.32	3.57	8.37
Payables				
a) USD				
b) EURO	5.86	444.55	7.16	525.53
c) AUD	0.05	4.15	0.09	7.59
	0.27	15.40	0.15	8.56

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.179.38 lakhs in the Statement of Profit and Loss for the year ended 31 March 2022 (31 March 2021: Rs.154.73 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	
	31-Mar-22	31-Mar-21
i) Reconciliation of defined benefit obligation		
Liability at the beginning of the year		
Current Service Cost	453.22	426.62
Interest cost	66.57	71.36
Demographic (Gain)/Loss on Plan Liabilities	29.72	27.41
Financial (Gain)/Loss on Plan Liabilities	(10.76)	-
Experience (Gain)/Loss on Plan Assets	29.55	(60.83)
Benefits Paid	27.43	10.61
Projected benefit obligation at the end of the year	(5.94)	(21.96)
	589.80	453.22



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

ii) Reconciliation of Fair Value of Plan Asset		
Fair value of the Plan assets at the beginning of the year		
Expected return on plan Assets	436.36	391.10
Contribution	29.45	25.81
Benefits Paid	66.00	36.00
Actuarial Gain/ (Loss) on plan assets	(5.94)	(21.96)
Fair value of plan asset at the end of the year	(15.72)	5.41
	510.15	436.36
iii) Amount recognized in Balance Sheet		
Defined Benefit Obligation		
Fair value of plan assets	(589.80)	(453.22)
Net (Liability)/ Asset recognized in the Balance Sheet	510.15	436.36
	(79.64)	(16.86)

iv) Expenses recognized in statement of profit or loss under the head employee benefit expenses			Rs in Lakhs
	31-Mar-22	31-Mar-21	
Current Service Cost	66.57	71.36	
Interest Expense on DBO	29.72	27.41	
Interest (Income) on plan assets	(29.45)	(25.81)	
Net Interest Cost	0.27	1.60	
Expenses recognized in Statement of Profit or Loss	66.83	72.96	
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	29.55	(60.82)	
Actuarial (Gain) / Loss due to Experience on DBO	27.43	10.61	
Return on Plan Assets (Greater) / Less than Discount rate	15.72	(5.41)	
Return on reimbursement rights (excluding interest income)	-	-	
Changes in asset ceiling/onerous liability (excluding interest income)	-	-	
Total Actuarial (Gain) /Loss included in OCI	61.94	(55.62)	
vi) Principal Actuarial Assumptions			
Financial Assumptions	31-Mar-22	31-Mar-21	
Discount Rate			
Salary Escalation	7.00%	6.75%	
	8.20%	7.30%	

Employee benefits (Continued):

Particulars	Rs in lakhs	
	31-Mar-22	31-Mar-21
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-3%,
	51 & above-2%	51-54yrs-2%,
		55yrs & above-1%
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-22	31-Mar-21
Year 1		
Year 2	43.47	25.80
Year 3	42.03	24.78
Year 4	47.35	25.02
Year 5	47.36	24.69
Year 6 to 10	48.98	23.00
	277.63	149.90

(vii) Sensitivity Analysis:

Defined Benefit Obligation	Rs in lakhs	
Discount rate	31-Mar-22	31-Mar-21
- Discount rate - 100 basis points		
- Discount rate + 100 basis points	645.44	511.70
Salary increase rate	541.58	403.97
- Rate - 100 basis points		
- Rate + 100 basis points	541.67	403.78
	644.24	510.79

26.05 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 majority 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	Key Management Personnel (KMP)
3	Mr. Felix Frie- Director (Resigned 07/07/2021)	Key Management Personnel (KMP)
4	Mr. Mark Ferres-Director (Appointed 07/07/2021)	Key Management Personnel (KMP)
5	Mr. Manish Madhav Phalke - Director	Key Management Personnel (KMP)
6	Mrs. Pranjali Rahul Patil - Director (Date from- 15 May 2020)	Key Management Personnel (KMP)
7	Mr. Girish Sivaramakrishnan - CFO (Date from- 16 May 2020)	Key Management Personnel (KMP)
8	Miss. Vaishnavi Bhupendra Suratwala - Company Secretary (Date from - 2 March 2020)	Key Management Personnel (KMP)
9	Deere & Company	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	2022	247.37
	2021	200.55
b. Post-employment benefits	2022	23.56
	2021	20.13
c. Share based payment	2022	26.85
	2021	18.13
Payable at the end of the year	2022	-
	2021	3.91



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

C. Transaction with other related parties:

Nature of Transaction	For the Year Ended 31st March	Ultimate Holding Company	Holding Company	Intermediate Holding Company	Fellow Subsidiaries	Total
Services received	2022	-	1,704.63	16.04	285.21	2,005.88
	2021	-	1,226.55	386.01	247.03	1,859.59
Interest expense on Intercompany deposit	2022	-	401.72	-	-	401.72
	2021	-	1,194.48	-	-	1,194.48
Reimbursement of expenses (Net)	2022	1,783.43	127.48	-	5.46	1,916.36
	2021	1,334.55	208.98	-	4.77	1,548.30
Income from Operations – Service Charges	2022	-	-	-	(1,091.81)	(1,091.81)
	2021	-	(2.80)	-	(672.99)	(675.79)
Allotment of Equity Shares and Share Premium	2022	-	-	-	-	-
	2021	-	16,259.00	-	-	16,259.00
Mfg. Subsidy \ Incentives	2022	-	2,075.12	-	155.77	2,230.90
	2021	-	1,458.60	-	218.47	1,677.07
Leases	2022	-	43.67	-	-	43.67
	2021	-	75.51	-	-	75.51
Intercompany deposits given - Paid	2022	-	52,900.00	-	-	52,900.00
	2021	-	59,500.00	-	-	59,500.00
Intercompany deposits received back - Taken	2022	-	28,000.00	-	-	28,000.00
	2021	-	84,400.00	-	-	84,400.00
Receivables at the end of the year	2022	491.13	416.82	-	24.31	932.25
	2021	208.84	406.05	-	16.32	631.21
Payables at the end of the year	2022	132.00	169.77	-	332.11	633.88
	2021	224.36	283.57	72.79	244.54	825.26
Dividend Paid	2022	-	535.90	-	-	535.90
	2021	-	-	-	-	-

Notes:

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



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

26.07 Operating Leases:

Brief description of nature and type of lease assets.

A. Right of use assets

Particulars	Rs in lakhs	
	As at March 31, 2022 Premises	As at March 31, 2021 Premises
Balance as at April 01		
Add: Initial direct cost	232.59	260.05
Add: Addition during the year		-
On account of remeasurement of lease liability	692.34	108.25
Less: depreciation charged for the period		-
Balance as at March 31	(149.70)	(135.71)
	775.23	232.59

B. Lease liabilities

Particulars	Rs in lakhs	
	As at March 31, 2022	As at March 31, 2021
Lease liabilities	796.94	254.85

C. Interest expenses on lease liabilities

Particulars	Rs in lakhs	
	As at March 31, 2022	As at March 31, 2021
Interest on lease liabilities	12.43	20.13

D. Expenses on short term leases / low value assets

Particulars	Rs in lakhs	
	As at March 31, 2022	As at March 31, 2021
Short term lease	1.00	-
Low value assets	0.00	-

E. Amounts recognized in the statement of cash flow

Particulars	Rs in lakhs	
	As at March 31, 2022	As at March 31, 2021
Total cash outflow for leases	150.25	140.08

F. Maturity analysis – contractual undiscounted cash flows

Particulars	Rs in lakhs	
	As at March 31, 2022	As at March 31, 2021
Less than one year	214.11	173.50
One to five years	685.77	131.05
More than five years	49.16	22.27
Total undiscounted lease liabilities	949.04	326.81

26.08 Earnings Per Share is calculated as follows:

Sr No.	Particulars	Rs in lakhs	
		31-Mar-22	31-Mar-21
i)	Net Profit attributable to shareholders		
ii)	Weighted average number of Equity Shares	10,860.48	7,403.03
iii)	Nominal value of equity share	5,359	4,517
iv)	Basic and Diluted	10.00	10.00
		2.03	1.64

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)

Particulars	Rs in lakhs	
	31-Mar-22	31-Mar-21
Opening balance	10,651.55	5,850.48
Provided during the year	10,145.46	6,165.66
Provision utilized during the year	(5,192.25)	(1,364.59)
Closing balance	15,604.77	10,651.55

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



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

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

Particulars	Rs in lakhs	
	31-Mar-22	31-Mar-21
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)	-	18.87
Interest paid to suppliers under MSMED Act (section 16)	0.10	-
Interest due and payable to suppliers under MSMED Act for payments already made beyond the appointed date during the current year	-	0.10
Interest accrued and remaining unpaid to suppliers under MSMED as at year end	-	0.10
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	-	0.10

26.11 Income Taxes:

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

Particulars	Rs in lakhs	
	As at March 31, 2022	As at March 31, 2021
Profit before income taxes		
Indian statutory income tax rate	14,511.76	9,646.17
Expected income tax expense	25.17%	25.17%
	3,652.30	2,427.94
Tax effect of adjustments to reconcile expected income tax expense to :		
Income exempt from tax	-	-
Non deductible expenses	27.76	19.52
Education cess	-	(39.17)
Rate change Impact	-	-
Reversal of Deferred tax on Unearned income	-	-
Total income tax expense	-	(198.04)
Taxes effects for earlier years	3,680.06	2,210.25
Total income tax expense recognized in Profit and Loss Account	(28.78)	32.89
	3,651.28	2,243.13

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:

Particulars	Rs in lakhs	
	As at March 31, 2022	As at March 31, 2021
Current tax:		
Current tax expense for the period		
Current tax expense / (benefit) pertaining to prior years	5,180.14	4,046.36
	(28.78)	32.88
Deferred tax benefit		
Origination and reversal of temporary differences		
Change in tax rates / Ind As Impact	(1,500.09)	(1,836.10)
	-	-
Total income tax expense recognized in the year	3,651.28	2,243.14

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

Particulars	Rs in lakhs	
	As at March 31, 2022	As at March 31, 2021
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit liability (asset)	15.59	(14.00)
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, 2022 are as follows:

Rs in lakhs

Particulars	1st April 2021	Recognized / reversed through profit and loss	Recognized in OCI	31st March 2022
Deferred Tax Assets :				
(a) Impairment loss allowance	2,680.78	1,246.62		3,927.41
(b) Employee benefit	252.55	102.26	(15.59)	339.22
(c) Deferred income	1,046.82	258.62		1,305.43
(f) Other deferred tax assets	10.57	(2.64)		7.93
Deferred Tax Liabilities				
(a) Debenture issue expenses				
(b) Depreciation on property, plant, equipment	(33.85)	(91.60)		(125.45)
(c) Investments measured at fair value	(9.39)	2.42		(6.97)
(d) Loans measured at FVTOCI	-	-	-	-
Net Deferred Tax Asset	3,947.49	1,515.69	(15.59)	5,447.58

The major components of deferred tax assets and liabilities for the year ended March 31, 2021 are as follows:

Particulars	1st April 2020	Recognized / reversed through profit and loss	Recognized in OCI	31st March 2021
Deferred Tax Assets :				
(a) Impairment loss allowance	1,472.57	1,208.22	-	2,680.79
(b) Employee benefit	217.45	49.10	(14.00)	252.55
(c) Deferred income	470.18	576.63	-	1,046.81
(f) Other deferred tax assets	-	10.56	-	10.56
Deferred Tax Liabilities				
(a) Debenture issue expenses	(43.76)	9.91	-	(33.86)
(b) Depreciation on property, plant, equipment	(5.08)	(4.31)	-	(9.39)
(c) Investments measured at fair value				
(d) Loans measured at FVTOCI				
Net Deferred Tax Asset	2,111.35	1,850.10	(14.00)	3,947.45

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.

Particulars	Rs in lakhs	
	31-Mar-22	31-Mar-21
CSR Amount to be spent for the year	107.27	53.81
Less : Excess Spent Carried forward from last year	(1.64)	-
Add: Previous year's short fall - in any	-	-
Total Amount to be spent as CSR during the year	105.63	53.81
Less : Amount Spent during the year	110.29	55.45
Total Unspent amount / (Excess Spent) ***	(4.67)	(1.64)
Amount Considered in Profit & Loss Account for the year *	110.29	55.45
Amount Carried forward to next year	(4.67)	(1.64)
Gross amount required to be spent by the Company during the year		
Amount spent during the year* :	-	-
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	110.29	55.45

*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)	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
(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	RSUs convert to shares on 3rd anniversary of the award	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)			
	31-Mar-22		31-Mar-21		31-Mar-22		31-Mar-21	
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	-	-	-	-	351	14,298.33	344	11,952.33
(ii) transferred out during the period	-	-	-	-	-	-	-	-
(iii) transferred in during the period	-	-	-	-	-	-	-	-
(iv) granted during the period	-	-	-	-	-	-	-	-
(v) forfeited during the period	-	-	-	-	80	26,075.12	103	18,715.99
(vi) exercised during the period	-	-	-	-	99	11,230.94	96	18,785.03
(vii) expired during the period	-	-	-	-	-	-	-	-
(viii) outstanding at the end of the period	-	-	-	-	332	18,051.08	351	13,851.73
(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, 2022 rate of Rs. 75.81 = US dollar 1.00 and at March 31, 2021 Rs. 73.44 = US dollar 1.00. Amount represents per share value.

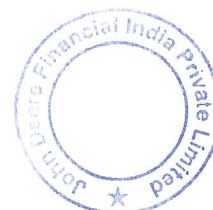
Share based payments expenditure:

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 25th April 2022 has proposed a dividend of Re. 0.20 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 Company has paid Dividend of Rs.535.9 Lakhs having dividend payout ratio 7.24%.

26.15 Net Gain / (Loss) On Fair Value Changes

Particulars	Rs in lakhs	
	As at March 31, 2022	As at March 31, 2021
(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	(375.78)	(1,163.18)
(B) Others	-	-
(C) Total Net gain/(loss) on fair value changes	(375.78)	(1,163.18)
(D) Fair value changes :		
(i) Realized	(25.48)	-
(ii) Unrealized	(350.30)	(1,163.18)
Total Net gain/(loss) on fair value changes	(375.78)	(1,163.18)



John Deere Financial India Private Limited
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, 2022 is as follows:

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	Rs in lakhs
						Total Carrying Value
Financial Assets:						
Cash and cash equivalents	-	-	-	-	-	-
Bank balance other than (a) above	-	-	-	-	6,099.93	6,099.93
Receivables- Trade receivables	-	-	-	-	3,002.68	3,002.68
Loans	-	-	-	-	987.42	987.42
Other financial assets	-	-	-	-	373,539.63	373,539.63
Total	-	-	-	-	67.68	67.68
Financial Liabilities:						
Derivative financial Instrument	1,651.19	-	-	-	-	1,651.19
Payables	-	-	-	-	-	-
-Trade Payable	-	-	-	-	-	-
Debt Securities	-	-	-	-	3,614.33	3,614.33
Borrowings (Other than Debt securities)	-	-	-	-	132,492.47	132,492.47
Lease liabilities	-	-	-	-	170,377.04	170,377.04
Other financial liabilities	-	-	-	-	796.94	796.94
Total	1,651.19	-	-	-	794.43	794.43
					308,075.21	309,726.40

Financial assets and liabilities by category: (Continued)

The carrying value of financial instruments by categories as at March 31, 2021 is as follows :

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	Rs in lakhs
						Total Carrying Value
Financial Assets:						
Cash and cash equivalents	-	-	-	-	-	-
Bank balance other than (a) above	-	-	-	-	6,493.73	6,493.73
Receivables- Trade receivables	-	-	-	-	0.62	0.62
Loans	-	-	-	-	518.62	518.62
Other financial assets	-	-	-	-	333,712.45	333,712.45
Total	-	-	-	-	70.08	70.08
					340,795.49	340,795.49
Financial Liabilities:						
Derivative financial Instrument	1,300.89	-	-	-	-	1,300.89
Payables	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-
Debt Securities	-	-	-	-	5,250.62	5,250.62
Borrowings (Other than Debt securities)	-	-	-	-	122,996.80	122,996.80
Lease liabilities	-	-	-	-	143,575.42	143,575.42
Other financial liabilities	-	-	-	-	254.85	254.85
Total	1,300.89	-	-	-	710.08	710.08
					272,787.76	274,088.66

Fair Value hierarchy :

(ii)

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



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

As at March 31, 2021	Carrying amount	Level 1	Level 2	Level 3	Total
Financial Assets:					
Loans	333,712.45	-	-	337,086.34	337,086.34
Other financial assets		-	-	-	-
Total	333,712.45	-	-	337,086.34	337,086.34
Financial Liabilities:					
Derivative financial instrument					
Debt Securities	1,300.89		1,300.89		1,300.89
Borrowings (Other than Debt securities)	122,996.80	-	130,853.10	-	130,853.10
Total	143,575.42	-	145,910.95	-	145,910.95
	267,873.11	-	278,064.94	-	278,064.94

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, 2022 and March 31, 2021.

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, 2022 and 2021. 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 financial 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, 2022, 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.

(i) Loans exposure by Sector

Rs in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Loans by Sector		
i) Agricultural Sector	358,226.21	323,204.90
ii) Construction equipments		
Total - Gross	30,918.20	21,159.11
Less: Impairment allowance for agricultural sector	389,144.40	344,364.01
Less: Impairment allowance for construction equipments	14,843.52	5,812.06
Less: Impairment allowance	761.28	38.42
Total Net Loans*	15,604.77	10,651.55
	373,539.63	333,712.45

(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, 2022			As at March 31, 2021		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Days Past due						
Current (Not past due)	318,554.29		305.83	284,686.55	-	430.07
1- 29 days	24,953.85		365.11	21,581.92	-	312.40
30- 90 days		20,561.92	3,910.79	-	18,771.72	1,108.90
91 or more days			20,492.60	-	-	17,472.43
Gross Exposure	343,508.14	20,561.92	25,074.34	306,268.47	18,771.72	19,323.81

Impairment allowance on loans

Rs in lakhs

	As at March 31, 2022			As at March 31, 2021		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Days Past due						
Current (Not past due)	3,256.40		82.12	2,287.15	-	151.07
1- 29 days	908.70		97.46	530.23	-	78.80
30- 90 days		1,462.98	1,035.76	-	1,087.37	275.81
91 or more days			8,761.35			6,241.13
Total	4,165.10	1,462.98	9,976.69	2,817.38	1,087.37	6,746.81
Net Exposure*	339,343.04	19,098.94	15,097.65	303,451.10	17,684.35	12,577.01

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

Rs in lakhs

As at March 31, 2022		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	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 - 90 days	20,561.92	7.11%	1,462.98	19,098.94
			Total	20,561.92	7.11%	1,462.98	19,098.94
			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	267.65	
30 - 90 days	3,910.79	26.48%			1,035.76	2,875.03	
91 days and above	20,492.60	42.75%			8,761.35	11,731.26	
Total	25,074.34	39.79%			9,976.69	15,097.65	
		Grand Total	389,144.40	4.01%	15,604.77	373,539.64	



As at March 31, 2021		Asset Group	Days Past due	Estimated gross carrying amount at default*	Expected probability of default	Expected credit losses	Rs in lakhs Carrying amount net of impairment
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans	Current	284,686.55	0.80%	2,287.15	282,399.41
			1-29 days	21,581.92	2.46%	530.23	21,051.69
			Total	306,268.47	0.92%	2,817.38	303,451.10
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	18,771.72	5.79%	1,087.37	17,684.36
			Total	18,771.72	5.79%	1,087.37	17,684.36
			Financial assets for which credit risk has increased significantly and credit-impaired	Loans	Current	430.07	35.13%
	1-29 days	312.40			25.22%	78.80	233.60
	30 - 89 days	1,108.90			24.87%	275.81	833.10
	60 - 89 days						
	90 days and above	17,472.43			35.72%	6,241.13	11,231.30
	Total	19,323.81			34.91%	6,746.81	12,577.00
	Grand Total	344,364.01			3.09%	10,651.55	333,712.45

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 on March 31, 2022

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	Rs in lakhs Total
Financial liabilities							
(i) Derivative financial Instrument							
(a) Trade payables			1,651.19				1,651.19
-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

As on March 31, 2021

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	Rs in lakhs Total
Liabilities							
Financial liabilities							
(i) Derivative financial Instrument							
(a) Trade payables				1,300.89			1,300.89
-total outstanding dues of micro enterprises and small enterprises	0.10						0.10
-total outstanding dues of creditors other than micro enterprises and small enterprises	5,250.52						5,250.52
(iii) Debt securities	508.81	22,251.16	50,257.07	49,979.76			122,996.80
(iv) Borrowings (Other than Debt securities)	50,061.47	4,093.95	4,475.00	70,520.00	14,425.00		143,575.42
(v) Lease liabilities			119.25	135.60			254.85
(vi) Other financial liabilities	213.69		496.39				710.08
Total Financial liabilities	56,034.59	26,345.11	55,347.71	121,936.25	14,425.00		274,088.67

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

(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	31-Mar-22			31-Mar-21		
	Current	Non- Current	Total	Current	Non- Current	Total
ASSETS						
Financial Assets						
(i) Cash and cash equivalents	6,099.93	-	6,099.93	6,493.73	-	6,493.73
(ii) Bank balance other than (a) above	3,002.42	0.26	3,002.68	0.62	-	0.62
(iii) Receivables- Trade receivables	987.42	-	987.42	518.62	-	518.62
(iv) Loans	158,951.96	214,587.67	373,539.63	130,626.34	203,086.11	333,712.45
(v) Other financial assets	-	67.68	67.68	2.00	68.08	70.08
Total financial assets	169,041.74	214,655.60	383,697.35	137,641.31	203,154.19	340,795.50
Non-financial Assets						
(i) Current tax (Net)	-	1,253.75	1,253.75	-	391.40	391.40
(ii) Deferred tax assets (net)	-	5,447.56	5,447.56	-	3,947.47	3,947.47
(iii) Property, Plant and Equipment	-	298.04	298.04	-	302.84	302.84
(iv) Capital work-in-progress	-	-	-	-	0.13	0.13
(v) Right of Use Assets	-	775.23	775.23	-	232.59	232.59
(vi) Intangible Assets	-	19.52	19.52	-	24.86	24.86
(vii) Other Non financial assets	932.14	-	932.14	719.77	-	719.77
Total Non-financial assets	932.14	7,794.10	8,726.24	719.77	4,899.29	5,594.20
Total Assets	169,973.88	222,449.70	392,423.59	138,361.07	208,053.48	346,389.70

Liabilities

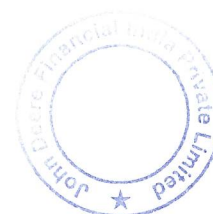
Financial liabilities						
(i) Derivative financial Instrument	1,651.19	-	1,651.19	-	1,300.89	1,300.89
(ii) Payables						
(a) Trade payables						
-total outstanding dues of micro enterprises and small enterprises	-	-	-	0.10	-	0.10
-total outstanding dues of creditors other than micro enterprises and small enterprises	3,614.33	-	3,614.33	5,250.52	-	5,250.52
(iii) Debt securities	52,746.04	79,746.42	132,492.46	73,017.04	49,979.76	122,996.80
(iv) Borrowings (Other than Debt securities)	77,089.54	93,287.50	170,377.04	58,630.42	84,945.00	143,575.42
(v) Lease liabilities	165.75	631.19	796.94	119.25	135.60	254.85
(vi) Other financial liabilities	794.43	-	794.43	710.08	-	710.08
Total Financial liabilities	136,061.28	173,665.11	309,726.39	137,727.41	136,361.25	274,088.67
Non-financial liabilities						
(i) Current tax liabilities (Net)	202.06	-	202.06	-	-	-
(i) Provisions	121.24	584.82	706.06	96.04	476.83	572.87
(ii) Other Non financial liabilities	-	-	-	242.19	-	242.19
Total Non financial liabilities	323.29	584.82	908.11	338.23	476.83	815.06
Total Liabilities	136,384.57	174,249.93	310,634.51	138,065.64	136,838.08	274,903.73
Net			81,789.08			71,510.84

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.



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

(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, 2022				As on March 31, 2021				Rs in lakhs
	Amounts outstanding in INR				Amounts outstanding in INR				
	USD	EUR	TBH	AUD	USD	EUR	TBH	AUD	
Trade Payables	(444.55)	(4.15)	-	(15.40)	(525.53)	(7.59)	0	(8.56)	
Trade Receivables	493.95	-	7.32	14.17	216.79	-	8.37	0	

	Currency	Change in rate	Rs in lakhs	
			Effect on profit before tax	
31-Mar-22	USD	10% / -10%		4.94
	EUR		(0.42)	
	THB		0.73	
	AUD		(0.12)	
31-Mar-21	USD	10% / -10%		(30.87)
	EUR		(0.76)	
	THB		0.84	
	AUD		(0.86)	

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	As at March 31, 2022					Rs in lakhs
	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%	165.12	
Total	USD 173.74	-	INR 1,651.19			

Derivatives held for Risk management	As at March 31, 2021					Rs in lakhs
	Notional amount	Fair value- assets	Fair value- liabilities	Change in rate	Effect on profit before tax	
Forward Contracts	USD 177.46	-	INR 1,300.89	10% / -10%	130.09	
Total	USD 177.46	-	INR 1,300.89			

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.



Disclosures as required in terms of Annex I in accordance with Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 updated as on 1st Apr 2022 issued by Reserve Bank of India (RBI) (Annex XVI)

26.18 Capital to Risk Assets Ratio (CRAR)

Sr. No.	Particulars	As per IND AS	
		31-Mar-22	31-Mar-21
1	CRAR (%)	20.77%	20.38%
2	CRAR - Tier I capital (%)	19.67%	19.55%
3	CRAR - Tier II Capital (%)	1.10%	0.83%
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 1551.26 lakhs for March 2022 and INR 1378.60 lakhs for March 2021 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	Rs in lakhs	
	As at March 31, 2022	As at March 31, 2021
(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 @	-	-

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

Particulars	Rs in lakhs	
	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)		
For hedging	15,381.76	-
(ii) Marked to Market Positions [1]		
Asset (+)	-	-
Liability (-)	-	-
(iii) Credit Exposure [2]	1,651.19	-
(iv) Unhedged Exposures	-	-

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

As on March 31, 2022

	Rs in lakhs								Total
	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	
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	-	379,167.74
Investments	-	-	-	-	-	-	-	-	-

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



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

As on March 31, 2021

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	18,077.81	5,650.00	1,387.50	4,087.50	4,475.00	58,025.00	14,425.00	-	106,127.81
Borrowings in Foreign currency	-	-	-	6.45	-	12,495.00	-	-	12,501.45
Intercorporate borrowings	24,946.16	-	-	-	-	-	-	-	24,946.16
Market Borrowings	-	-	508.81	22,251.16	50,257.07	49,979.76	-	-	122,996.80
Assets									
Advances	6,882.42	10,415.23	19,039.89	35,513.72	60,216.72	167,699.72	37,849.50	-	337,617.19
Investments	-	-	-	-	-	-	-	-	-

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

26.22 Exposures :

There are no exposure to capital market and real estate sector during the year ended 31 March 2022 and 31 March 2021.

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 2022 and 31 March 2021, 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

26.26 Disclosure of Penalties imposed by RBI and other regulators :

There has been no penalty imposed by RBI and other regulators during the financial year ended 31 March 2022 and 31 March 2021.

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

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] AAA	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	



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

During the year 2020-21

Particulars	Rating Assigned	Date of Rating	Rating Valid up to	Name of the Rating Agency	Amount
Commercial paper	CRISIL A1+	07-May-20	60 Calendar days	CRISIL Ltd	INR 60,000 lakhs
	CRISIL A1+	04-Jan-21	60 Calendar Days	CRISIL Ltd	INR 60,000 lakhs
	[ICRA] A1+	11-Jan-21	60 Calendar Days	ICRA Ltd	INR 40,000 lakhs
	[ICRA] A1+	19-Mar-21	60 Calendar Days	ICRA Ltd	INR 40,000 lakhs
	CRISIL A1+	30-Mar-21	60 Calendar Days	CRISIL Ltd	INR 60,000 lakhs
Term Loans	CRISIL AAA/Stable (Reaffirmed)	7-May-20	180 Days	CRISIL Ltd	INR 27,000 lakhs
	[ICRA] AAA (Stable)	19-Mar-21	1 Year	ICRA Ltd	INR 20,000 lakhs
	CRISIL AAA/Stable (Reaffirmed)	30-Mar-21	180 Days	CRISIL Ltd	INR 27,000 lakhs
NCD	CRISIL AAA/Stable	7-May-20	180 Days	CRISIL Ltd	INR 40,000 lakhs
	CRISIL AAA/Stable	7-May-20	180 Days	CRISIL Ltd	INR 50,000 lakhs
	CRISIL AAA/Stable	7-May-20	180 Days	CRISIL Ltd	INR 40,000 lakhs
	CRISIL AAA/Stable	4-Jan-21	180 Days	CRISIL Ltd	INR 40,000 lakhs
	CRISIL AAA/Stable	4-Jan-21	180 Days	CRISIL Ltd	INR 40,000 lakhs
	CRISIL AAA/Stable	4-Jan-21	180 Days	CRISIL Ltd	INR 50,000 lakhs
	CRISIL AAA/Stable	30-Mar-21	180 Days	CRISIL Ltd	INR 20,000 lakhs
	CRISIL AAA/Stable	30-Mar-21	180 Days	CRISIL Ltd	INR 40,000 lakhs
	CRISIL AAA/Stable	30-Mar-21	180 Days	CRISIL Ltd	INR 50,000 lakhs
	CRISIL AAA/Stable	30-Mar-21	180 Days	CRISIL Ltd	INR 10,000 lakhs

26.28 Remuneration of Directors

The Non- Executive directors are employees of the Deere & Company group and the company does not have transaction with them.

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-22	31-Mar-21
Breakup of Provision and contingencies shown under the head Expenditure in Profit and loss Account		
Provision for Depreciation on Investment		
Provision towards NPA	(-)	(-)
Provision made towards Income tax	3,229.88	2,162.66
Other provision and contingencies –	5,180.14	4,079.24
Leave encashment	102.36	7.03
Gratuity	66.83	72.96
Provision for Standard Assets	1,723.33	2,638.41

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 2022 and 2021.



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:

Particulars	Rs in lakhs	
	31-Mar-22	
Total Advances to twenty largest borrowers	18,821.69	
Percentage of Advances to twenty largest borrowers to Total advances	4.84%	

Concentration of Exposures:

Particulars	Rs in lakhs	
	31-Mar-22	
Total Exposure to twenty largest borrowers / customers	18,821.69	
Percentage of Advances to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrower/Customers	4.84%	

Concentration of NPAs

Particulars	Rs in lakhs	
	31-Mar-22	
Total Exposure to top four NPA accounts	418.92	

(D) Sector- wise NPAs

Sr No.	Sector	Rs in lakhs	
		Percentage of NPAs to Total Advances in that Sector	
1	Agriculture & allied activities	6.27%	
2	MSME	0.15%	
3	Corporate Borrowers	-	
4	Services	-	
5	Unsecured personal Loans	-	
6	Auto Loans	-	
7	Other personal loans	-	
8	Others	0.02%	

Movement of NPAs

Particulars	Rs in lakhs	
	31-Mar-22	31-Mar-21
(i) Net NPAs to Net Advances (%)	4.09%	3.78%
(ii) Movement of NPAs (Gross)		
a) Opening balance	19,323.80	15,628.38
b) Additions during the year	18,849.97	10,339.67
c) Reductions during the year	(13,099.44)	(6,644.25)
d) Closing balance	25,074.34	19,323.80
(iii) Movement of Net NPAs		
a) Opening balance	12,757.91	11,044.24
b) Additions during the year	8,770.10	5,308.59
c) Reductions during the year	(6,249.45)	(3,594.92)
d) Closing balance	15,278.55	12,757.91
(iv) Movement of provisions for NPAs (excluding provisions on standard Assets)		
a) Opening balance	6,746.81	4,584.15
b) Provisions made during the Year	10,079.87	5,142.92
c) Write-off/ write-back of Excess provision	(6,849.98)	(2,980.27)
d) Closing balance	9,976.69	6,746.81

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



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

26.37 Disclosures of Complaints:

Customer Complaints

Sr.No	Particulars	31-Mar-22
a)	No. Of Complaints pending at the beginning of the year	1
b)	No. of complaints received during the year	43
c)	No. of complaints redressed during the year	43
d)	No. of complaints pending at the end of the year	1

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 1st Apr 2022 issued by Reserve Bank of India (RBI)

Liabilities side :		Rs in lakhs	
Particulars	Amount Outstanding as at 31 March 2022	Amount Overdue as of 31 st March 2022	
1	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
(a)	Debentures : Secured	-	-
	: Unsecured*	(-)	(-)
	(other than falling within the meaning of public deposits)	123,070.84	-
		(123,131.28)	(-)
		-	-
(b)	Deferred Credits	(-)	(-)
		-	-
(c)	Term Loans	(-)	(-)
		157,488.83	-
(d)	Inter-corporate loans and borrowing	(88,590.10)	(-)
		-	-
(e)	Commercial Paper**	(24,946)	(-)
		10,000.00	-
(f)	Public Deposits	(-)	(-)
	Other Loans	-	-
	-ECB	-	(-)
(g)	- Working capital loan	12,888.21	-
		(12,827.66)	(-)
		-	-
		(17,537.70)	(-)
* 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.



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

	Long Term investments :	
1)	Quoted :	
(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)	Unquoted :	
(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		
	Category	Amount net of provisions		
		Secured	Unsecured	Total
1)	Related Parties			
(a)	Subsidiaries	-	-	-
(b)	Companies in the same group	(-)	(-)	(-)
(c)	Other related parties	-	-	-
		(-)	(-)	(-)
2)	Other than related parties	389,144.40	-	389,144.40
		(344,364.01)	(-)	(344,364.01)
	Total	389,144.40	-	389,144.40
		(344,364.01)	(-)	(344,364.01)

Note: Figures in the brackets represents figures for previous year



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

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		25,074.34 (19,323.81)
(ii) Net Non-Performing Assets		
(a) Related parties		(-)
(b) Other than related parties		15,097.65 (12,577.01)
(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	299,943	-	96.56%

*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
267,443.21	89.16%

(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	Non-convertible debentures	120,000.00	38.63%
2	Term Loan	169,943.21	54.71%
3	Commerical Paper	10,000.00	3.22%
	Total	299,943.21	



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

(v) Stock Ratios:

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

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)	10,000.00	-	2.55%	3.22%	2.55%

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

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	-	-	-	-	-

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

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	40,000	13.34%	10.19%	12.88%	10.19%
2	Term Loans-becoming due within next 1 year	76,656	25.56%	19.53%	24.68%	19.53%
3	Commercial paper	10,000	3.33%	2.55%	3.22%	2.55%

(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 1st Apr 2022 issued by Reserve Bank of India (RBI)

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	343,508.15	4,165.10	339,343.05	1,374.03	2,791.07
	Stage 2	20,561.92	1,462.98	19,098.94	82.25	1,380.73
Sub-total		364,070.07	5,628.08	358,441.99	1,456.28	4,171.80
Non-Performing Assets (NPA)						
Substandard	Stage 3	21,381.82	7,374.51	14,007.32	2,138.18	5,236.33
Doubtful - up to 1 year	Stage 3	3,636.46	2,546.13	1,090.33	727.37	1,818.76
1 to 3 years	Stage 3	56.05	56.05	0.00	16.70	39.35
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		3,692.51	2,602.18	1,090.32	744.07	1,858.11
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		25,074.33	9,976.69	15,097.64	2,882.25	7,094.44
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	343,508.15	4,165.10	339,343.05	1,374.03	2,791.07
	Stage 2	20,561.92	1,462.98	19,098.94	82.25	1,380.73
	Stage 3	25,074.33	9,976.69	15,097.64	2,882.25	7,094.44
	Total	389,144.40	15,604.77	373,539.63	4,338.53	11,266.24



26.41 **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 9 Cases (31st March 2021 21-Nil) of Frauds amounting to INR 64.11 Lakh (31st March 2021 - Nil) reported during the year. The company has recovered an amount of INR 39.96 lakh and wherever required initiated appropriate legal action against the individuals involved. The claims for uncovered losses are lodged with insurance companies on merit basis.

26.42 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 2021-22. 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.

In terms of our report attached

For BK Khare & Co

Chartered Accountants

Firm Reg. No. 105102W



Shirish Rahalkar

Partner

Membership No. 111212



Place: Mumbai

Date: 25th April 2022

For and on behalf of the Board of Directors

John Deere Financial India Private Limited

CIN: U65923PN2011PTC141149



Abhay Dhokte
Managing Director
(DIN 08481252)



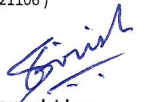
Vaishnavi Suratwala
Company Secretary

Place: Pune

Date: 25th April 2022



Ajit Jain
Director
(DIN 07021106)



Girish Sivaramkrishnan
Chief Financial Officer





DIRECTORS' REPORT

To
The Members,
John Deere Financial India Private Limited

Your Directors have great pleasure in presenting the 11th Board Report along with the Audited Statement of Accounts and the Auditors Report of the Company for the financial year ended 31st March 2022:

Financial Summary:

The Company sustained its good performance during FY 2021-22. 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:

Particulars	(Amount in Lakhs)	
	Year ended 31st March, 2022	Year ended 31st March, 2021
Total Income	57,364	45,614
Finance Cost	18,251	16,850
Impairment of Financial Instruments	10,145	6,166
Depreciation	293	243
Operating expenses excluding depreciation and interest	15,308	12,709
Profit before depreciation and interest	33,056	26,739
Profit before taxes	14,512	9,646
Provision for taxation	3,651	2,243
Profit after tax	10,860	7,403
Retained Earnings* brought forward from prior year	12,466	6,519
Less: Adjustment for Other comprehensive Income	(46)	42
Less: Transfer to Statutory reserve	(2,163)	(1,489)
Retained Earnings* carried forward for following year	20,590	12,475

*Including other comprehensive income

State of Company's affairs & Changes in Business

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



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

experience and other emerging forward-looking factors. The Company believes that the factors considered are reasonable under the current circumstances.

As at 31st March 2022, JDF has a loan book of INR 373,540 lakh as against INR 333,712 lakh in the previous year. There is a growth of 12% in the portfolio. JDFIPL portfolio has been growing with the robust growth in sales of tractors and implements by its parent company. Being captive finance unit, JDF growth is dependent on growth of sales for John Deere India agricultural equipment and Wirtgen Road Construction Equipment. The agriculture sector in India continues to experience strong performance with increased production levels and good price realization. However, when compared to the previous year the tractor sales volumes for the Industry as a whole have softened which bears an impact on the growth of portfolio of the company.

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.

The Company's main business is financing of the assets. The Company being NBFC-ND-SI (Systemically Important Non-Deposit taking Non-Banking Financial 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 got its unsecured non-convertible debentures and commercial paper listed at BSE Limited.

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

Management Discussion & Analysis Report

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

Share Capital

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

Dividend

Your Directors have pleasure in recommending dividend of 2% (i.e. 20 paise) per equity share. The dividend of 2%, if approved, in the upcoming Annual General Meeting would result in payout of Rs. 1072 Lakhs.

Transfer to reserves

The Company has created Statutory Reserve under 45IC of RBI Act 1934 and transferred Rs. 2,163 Lakhs.

Deposits

The Company is registered with Reserve Bank of India (RBI) as Non-Deposit Accepting NBFC under Section 45-IA of the RBI Act, 1934 and classified as NBFC-NDSI. 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.

Capital Adequacy

Your Company being a Systemically Important Non- Deposit Accepting 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, 2022, the Company's total Capital Adequacy Ratio (CAR) stood at 20.77%, which is well above the regulatory minimum of 15%.

Out of the above, Tier I capital adequacy ratio stood at 19.67% and Tier II capital adequacy ratio stood at 1.10%.

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 between the end of the financial year and date of the report.

Meetings of the Board of Directors

During the Financial year under review Board of Directors met four times to transact the business of the Company in accordance with the provisions of the Act and rules made there under and the dates on which they met during the financial year under review are as under:

Sr. No	Date of the Board Meeting
1	05 May 2021
2	07 July 2021
3	21 October 2021
4	20 January 2022

Sr. No	Name of Directors	Number of Meeting Attended
1	Abhay Dhokte	4
2	Ajit Jain	4
3	*Felix Frie	2
4	Manish Phalke	4
5	Pranjali Patil	4
6	*Mark Ferres	2

*Appointed & Resigned during the year under review.



Meetings of the Board Committees

During the financial year under review below committee meetings were held on periodical basis.

S N	Committee Meetings	Apr -21	Ma y -21	Jun -21	Jul- 21	Aug -21	Sep -21	Oct -21	Nov -21	Dec -21	Jan -22	Feb -22	Mar- 22
1	Nomination Committee	07 th	-	-	05 th	-	-	-	-	-	-	-	-
2	IT Committee	16 th	-	-	16 th	-	-	14 th	-	-	24 th	-	-
3	Risk Managemen t Committee	-	-	14 th	-	23 rd	-	-	24 th	-	-	-	09 th
4	ALCO Committee	-	12 th	-	-	11 th	-	-	22 nd	-	-	21 st	-
5	Audit Committee	21 st	04 th	-	21 st	-	-	21 st	-	-	20 th	-	-
6	Customer Service Committee	5 th	6 th	3 rd	8 th	5 th	9 th	7 th	9 th	3 rd	11 th	7 th	7 th
7	CSR Committee	-	13 th	-	21 st	-	-	4 th	-	-	-	-	23 rd

Directors' Responsibility Statement

The Directors confirm that:

- (i) In the preparation of the annual accounts for the year ended 31st March, 2022, 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 31st March 2022 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 31st March 2022 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.



Directors and KMP

During the year under review below were the changes related to directors and KMP:

S. N	Name	Designation	Date of Appt/Resignation	Status of Change	Remarks If any
1	Abhay Dhokte	Managing Director	01/07/2019	No Change	-
2	Felix Frie	Director	07/07/2021	Resigned	-
3	Ajit Jain	Director	28/01/2015	No Change	-
4	Manish Phalke	Director	11/07/2019	No Change	-
5	Pranjali Rahul Patil	Director	15/05/2020	No Change	-
6	Mark Ferres	Director	07/07/2021	Appointed	
7	Vaishnavi Suratwala	Company Secretary	02/03/2020	No Change	-
8	Girish Sivaramakrishnan	Chief Finance Officer	16/05/2020	No Change	-

The Board placed on its record the sincere thanks for all the valuable guidance and significant contribution provided by Mr. Felix Frie (Director) in business of the organization during their tenure.

Credit Rating

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

Rating Agency	Rating	Nature of Securities	Amount (Rs. Lakhs)	Date of Rating
CRISIL	CRISIL A1+	Commercial Paper	60,000.00	13-May-21
CRISIL	CRISIL AAA/Stable	Bank Loan	27,000.00	7-Sep-21
CRISIL	CRISIL A1+	Commercial Paper	60,000.00	7-Sep-21
CRISIL	CRISIL AAA/Stable	Non-Convertible Debentures	10,000.00	7-Sep-21
CRISIL	CRISIL AAA/Stable	Non-Convertible Debentures	20,000.00	7-Sep-21
CRISIL	CRISIL AAA/Stable	Non-Convertible Debentures	35,000.00	7-Sep-21
CRISIL	CRISIL AAA/Stable	Non-Convertible Debentures	40,000.00	7-Sep-21
CRISIL	CRISIL AAA/Stable	Non-Convertible Debentures	50,000.00	7-Sep-21
CRISIL	CRISIL AAA/Stable	Non-Convertible Debentures	5,000.00	14-Sep-21
CRISIL	CRISIL AAA/Stable	Non-Convertible Debentures	30,000.00	27-Dec-21
CRISIL	CRISIL A1+	Commercial Paper	60,000.00	28-Feb-22
ICRA	[ICRA]A1+	Commercial Paper	40,000.00	7-May-21
ICRA	[ICRA]A1+	Commercial Paper	40,000.00	27-Dec-21
ICRA	[ICRA] AAA	Bank Loan	63,000.00	4-Aug-21
ICRA	[ICRA]A1+	Commercial Paper	40,000.00	22-Feb-22
ICRA	[ICRA] AAA	Bank Loan	91,000.00	27-Dec-21



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

Statement of employees drawing salary of more than Rs. 1.02 Crore if employed throughout the financial year and Rs. 8.50 lacs per month if employed for the part of the year is mentioned in extract to annual return attached to director report.

Extract of the Annual Return

The extract of Annual return as per Sec. 92(3) in format of MGT-9 as at 31st March 2022 has been included as Annexure II to this Board Report.

Details under Companies (Appointment and Remuneration of Managerial Personnel) Rules being confidential in nature will be shared with the members on request.

Particulars of Loans, Guarantees or investments

The Company is a Non-banking financial company registered with Reserve Bank of India under Section 45 IA of the Reserve Bank of India act 1934 and hence provisions of Section 186 are not applicable.

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.

Particulars of Contract and Arrangement with Related parties referred to in Sub Section (1) of Section 188

All contract/arrangements/transactions entered by the Company during the financial year with related parties (Refer note 26.06 to the financial statement) were in ordinary course of business and on arm's length basis. The particulars of the material transactions as prescribed in Form AOC-2 of The Companies (Accounts) Rules, 2014 has been included as Annexure III to this Board Report.

Furthermore, the company's related party policy has been enclosed in Annexure IV to this Board Report.

Subsidiary Company

The Company does not have any subsidiary company. Hence, additional disclosures are not applicable.

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo

a. Conservation of Energy:

The Company's business is not energy intensive. Company believes in prudent use of the scarce precious resources and is supportive of the energy saving mechanism.

(i)	the steps taken or impact on conservation of energy.	Not Applicable
(ii)	the steps taken by the company for utilizing alternate sources of energy.	Not Applicable



(iii)	the capital investment on energy conservation equipment.	Not Applicable
-------	--	----------------

b. Technology Absorption:

The Company has not incurred any expenditure towards research & development activities. Also the company has not laid any future plan of action towards research & development.

(i)	the efforts made towards technology absorption	Not Applicable
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Not Applicable
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) the details of technology imported	Not Applicable
	(b) the year of import;	Not Applicable
	(c) whether the technology been fully absorbed	Not Applicable
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
(iv)	the expenditure incurred on Research and Development	Not Applicable

c. Foreign Exchange Earnings and Outgo:

During the year, the Company incurred Rs. 767 Lakhs as expenditure in foreign currency. Further, interest expense on ECB for FY 2021-2022 amounts to Rs. 329 Lakhs.

Risk Management Policy of the Company

The primary purpose of the Company is to grow John Deere sales 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.



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

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 manage these risks in prudent manner, through our policies and processes.

Corporate Social Responsibility Policy

Based on the profitability criteria for the year, Corporate Social responsibility requirements under section 135 of the Companies Act, 2013 are applicable to the Company for the year under review. Annual report on Corporate Social Responsibilities (CSR) activities has been included as Annexure V to this Board Report.

Auditors and its Report

M/s. B K Khare & Co, Chartered Accountants, having registration number 105102W were appointed as the Statutory Auditors of the Company at the Extra Ordinary General Meeting of the Company held on November 16, 2021 for a period of 3 years subject to RBI regulations prescribed in this behalf. Auditors have confirmed that they are not disqualified and confirmed their eligibility and willingness to be appointed as statutory auditor till ensuing annual general meeting.

Qualifications, Reservations or Adverse Remark or Disclaimer, if any:

There were no qualifications, reservation or adverse remarks provided by the statutory auditors in its report for the year ended 31st March 2022.

Secretarial Audit Report

Provisions of Section 204 read with Section 134(3) of the Act, mandates to obtain Secretarial Audit Report from Practicing Company Secretary. M/s. DVD & Associates, Practicing Company Secretaries had been appointed to carry on the Secretarial Audit and provide a Secretarial Audit Report for the financial year 2021-22.



**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

Secretarial Audit Report is issued by M/s. DVD & Associates, Practicing Company Secretaries in Form MR-3 (Attached in Annexure VI) for the financial year 2021-22 which forms part to this report.

There were no qualifications, reservation or adverse remarks provided by the Secretarial auditor in its report for the year ended 31st March 2022.

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.

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 Regulator:

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;

Adequacy of Internal Financial Control with reference to Financial Statements

The Company has in place robust internal financial controls. 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.

Vigil Mechanism

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages the employees to voice their genuine concerns without fear of censure; therefore Company's ultimate holding Company has built in and set up the Vigil Mechanism Policy applicable to all the group companies, associate companies, subsidiaries across the globe, according to which all the employees, Directors of the Company including third party, are eligible to make disclosures under the mechanism in relation to matters concerning the Company.

The link to access the said policy is
https://s22.q4cdn.com/253594569/files/doc_downloads/2020/06/CodeofBusinessConduct_English.pdf

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



**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

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 (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, 2022:

- No. of Complaints received: Nil
- No. of Complaints disposed off: Nil
- Number of cases pending for more than ninety days: Nil
- Number of workshop of awareness program against sexual harassment carried out:
 - a. Once in a year online training is been assigned to all employees.
 - b. Orientation program is conducted to the new employees on joining.
 - c. Online Investigation Process Training Program to IC members
- Nature of action taken by the employer or district Officer: Nil

Acknowledgement

The Directors would like to place on record its gratitude for valuable guidance and support received from Reserve Bank of India, central & state government departments/ agencies, bankers and wish to convey its appreciation to customers, dealers, vendors and all other business associates for their continuous support during the year. The Directors would also like to express their appreciation of the commitment and dedication of employees for significant contribution during the year.

For and on behalf of the Board of Directors


Abhay Dhokte
Chairman
Date: 25/04/2022
Place: Pune

Enclosures

- Annexure I- Management Discussion & Analysis Report
- Annexure II- Extract of Annual Return in MGT-9
- Annexure III- AOC-2
- Annexure IV- Related Party Policy
- Annexure V- Annual Report on CSR activities
- Annexure VI- MR-3 Secretarial Audit Report



ANNEXURE I TO THE DIRECTORS' REPORT
MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

Since the Company is in captive finance segment 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 333,712 lakhs in March 2021 to INR 373,540 lakhs in March 2022, net of impairment allowances reflecting a 12% growth.

Business Environment for Tractor Industry

The Economy continues to experience strong performance with increased agricultural production levels and good price realization. However, as compared to the previous year the tractor sales volumes for the Industry as a has softened which bears an impact on the growth of portfolio of the company.

John Deere India Private Limited's (JDIPL) domestic sales are mentioned below:

	Year ending March 2022	Year ending March 2021
JDIPL domestic sales no.	81,057	86,753

Business Environment for Road Construction Industry

Roads and Highways continue to act as major demand drivers for the Construction Equipment industry overall. In the road construction segment, award of new contracts has energized the demand during FY 22. However, the true potential of the market has been dampened by inflationary pressures. Since the contract margins have shrunk with rising cement (and other input) prices, capex addition by large developers have been cautious and selective with price rise seen across all equipment categories. The rental market though has seen an upsurge in demand for new equipment, which has acted as a balancing factor. Overall, the equipment sales have increased, compared to previous years with huge outlays in budget and change in road constructions laws. The true potential would be realized once the input price hikes are suitably absorbed in the capex plans of large and mid-segment players.

	Year ending March 2022	Year ending March 2021
Wirtgen Domestic Sales no.	1,322	1,169

PRODUCT WISE PERFORMANCE

The company is primarily in the business of retail financing of agriculture and road construction equipment. During the year the company's portfolio for agricultural equipment has grown from 323,204.88 lakhs in March 2021 to 343,381.68. lakhs in March 2022. The portfolio for road construction



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

equipment has grown from 21,159.10 lakhs in March 2021 to 30,156.91 lakhs in March 2022 net of impairment allowances.

OUTLOOK, OPPORTUNITIES AND THREATS

The agriculture sector in India is expected to generate very good momentum in coming years with the focus of the Government for growth of Agricultural output and with increase in interest of the Private sector resulting in growth of 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 has introduced 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 31st March 2022 the unutilized bank lines are INR 111,000 lakhs and Intercompany Line from John Deere India Private Limited of INR 100,000 lakhs.

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

With increased fuel prices and the increased cost of metals the wholesale inflation index has breached the target levels of the Reserve bank of India. Increased price of input cost may have an adverse impact on the surplus available with farmers for investment in agricultural activities. Commodity inflation resulting from shortage of material, increasing fuel prices and the current geo-political situation will have an impact on the price of Agricultural and Construction Equipment.

Apart from that increase in borrowings rates across markets are expected to put pressure on cost of funds.

Tractor Industry has softened in the past few quarters with crop holidays declared by some states and against the peak level demand of last year, resulting from increased disposable funds with farmers with Covid 19 induced restrictions. Significant material cost inflation will have an impact on the equipment prices and may impact the short-term growth prospect of the industry.



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

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.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal control systems and their adequacy is more elaborately discussed in the Directors' Report.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Financial Performance and operational performance form part of the Directors' Report.

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.



ANNEXURE III TO THE DIRECTORS' REPORT

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	1705	-	Nil
John Deere India Private Limited	Facility Cost	Ongoing	78	-	Nil
John Deere India Private Limited	Mfg. Subsidy	Ongoing	2,075	-	Nil
John Deere India Private Limited	Interest expense	Apr-21 to Mar-22	402	-	Nil



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

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	Inter Company deposit received	Apr-21 to Mar-22	28,000	-	Nil
John Deere India Private Limited	Inter Company deposit paid	Apr-21 to Mar-22	52,900	-	Nil
John Deere India Private Limited	Other reimbursement and maintenance charges	Ongoing	127	-	Nil
John Deere India Private Limited	Dividend	6 th September 2021 (Approved in AGM)	536		Nil
Deere & Company	Information System	Ongoing	1,783	-	Nil

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



**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

[Annexure -V]

Annual Report on CSR Activities

1. Brief outline on CSR Policy of the Company:

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.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation of Nature Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Abhay Dhokte	Chairman	4	3
2	Ajit Jain	Member	4	4
3	Manish Phalke	Member	4	3

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Web-link for Composition of CSR Committee:

https://www.deere.com/assets/pdfs/region-1/finance/india/financing/JDFIPL_CSR_Committee.pdf

Web-link for CSR Policy:

<https://www.deere.co.in/en/our-company/disclosure-policies-and-notice/>

Web-link for CSR Annual Action Plan:

https://www.deere.com/assets/docs/region-1/our_company/citizenship/JohnDeere-India-CSR-Annual-Action-Plan-FY21-22.docx

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). **Not Applicable for the Financial Year 2021-22.**

CM



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

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in INR)	Amount required to be set-off for the financial year, if any (in INR)
1	2020-2021	163,931	NIL
	Total	163,931	NIL

6. Average net profit of the company as per section 135(5). - Rs 536,335,399
7. (a) Two percent of average net profit of the company as per section 135(5) - Rs 10,726,708
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - NIL
(c) Amount required to be set off for the financial year, if any - NIL
(d) Total CSR obligation for the financial year (7a+7b-7c). - Rs 10,726,708
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs. Lakhs)	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.
11,029,423	-	-	-	-	-

- (b) Details of CSR amount spent against ongoing projects for the financial year: NA

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of project.	Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial year as per (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section	Mode of Implementation - Direction (Yes/No).	Mode of Implementation - Through Implementing Agency
				State.	District.					Name of Agency CSR Registration number.



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

											135(6) (in Rs.).				
I															
	Total														

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project. State. District.	Amount spent for the project (in Rs.).	Mode of implementation (Yes/No).	Mode of implementation of implementing agency. Direct Through Name. CSR registration number.
1.	Strengthening health infrastructure in rural communities	VII (i)	Yes	Gadchiroli, Maharashtra & Purlia, West Bengal	11,029,423	No	United Way Mumbai CSR00000762
	Total				11,029,423		

(d) Amount spent in Administrative Overheads - NIL

(e) Amount spent on Impact Assessment, if applicable - Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - Rs 11,029,423

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	10,726,708
(ii)	Total amount spent for the Financial Year	11,029,423
(iii)	Excess amount spent for the financial year [(ii)-(i)]	302,715
(iv)	Surplus arising out of the 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)]	302,715



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

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable, there is no unspent CSR amount from the preceding three financial years.

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	2019-2020	NIL	NIL	NIL	NIL	NIL	NIL
2	2020- 2021	NIL	NIL	NIL	NIL	NIL	NIL
3	2021- 2022	NIL	NIL	NIL	NIL	NIL	NIL
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable, there are no ongoing projects of the preceding financial years.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of the reporting Financial Year. (in Rs.)	Status of the project / Completed / Ongoing.
1								
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year- **Not Applicable** (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.



**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

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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

There is no any unspent amount during the financial year 2021-22. The Company has spent INR 11,029,423 as against the budget of INR 10,726,708 during the financial year 2020-21 towards CSR activities i.e. 102% of the total amount prescribed was spent as per the calculation of CSR under the Companies Act, 2013.

For John Deere Financial India Private Ltd,


Chairman

Place: Pune

Date : 25th April 2022