

B S R & Associates LLP

Chartered Accountants

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Independent Auditors' Report

To the Members of

John Deere Financial India Private Limited

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of John Deere Financial India Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2019, and the Statement of Profit and Loss and Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

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



John Deere Financial India Private Limited

Independent Auditors' Report – 31 March 2019 (*continued*)

Management's Responsibility for the Financial Statements (*continued*)

In preparing the financial statements, management and Board of Directors are 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



John Deere Financial India Private Limited

Independent Auditors' Report – 31 March 2019 (*continued*)

Auditor's Responsibilities for the Audit of the Financial Statements (*continued*)

- 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.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government in terms of section 143 (11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by the law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to the financial statement of the Company and operating effectiveness of such controls, refer our separate report in "Annexure B";



John Deere Financial India Private Limited

Independent Auditors' Report – 31 March 2019 (*continued*)

Report on Other Legal and Regulatory Requirements (*continued*)

2. (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its financial statements – Refer Note 24.1 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. The disclosures regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.
2. (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company as it is a 'private limited company

For B S R & Associates LLP

Chartered Accountants

Firm Registration Number: 116231W/W-100024



Shiraz Vastani

Partner

Membership no.: 103334

Place: Pune

Date: 24 April 2019

John Deere Financial India Private Limited

Independent Auditors' Report – 31 March 2019 (*continued*)

Annexure A to the Independent Auditor's Report on the Financial Statements

With reference to the Annexure A referred to paragraph 1 of Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2019, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of the fixed assets at interval of two years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, all fixed assets were physically verified by the management during previous year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company does not hold any immovable properties in the name of the Company. Thus, paragraph 3(i) (c) of the Order is not applicable to the Company.
- ii. The Company is a non-banking financial company engaged in lending activities. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Thus, paragraph 3(iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanation 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, 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.
- v. According to the information and explanations 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.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Act, for any services rendered by the Company. Thus, paragraph 3(vi) of the Order is not applicable to the Company.



John Deere Financial India Private Limited**Independent Auditors' Report – 31 March 2019 (continued)****Annexure A to the Independent Auditor's Report on the Financial Statements (continued)**

- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income Tax, Goods and Services Tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities, except for provident fund dues referred to in note 24.1 to the financial statements. As explained to us, the Company do not have any dues on account of Employees' State Insurance, Sales Tax, Service Tax, Value Added Tax and Duty of Excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Employees' State Insurance, Income Tax, Duty of Customs, Goods and Services Tax and other material statutory dues were in arrears as at 31 March 2019, for a period of more than six months from the date they became payable, we draw attention to note 24.1 to the financial statements which more fully explains the matter regarding non-payment of provident fund contribution pursuant to Supreme Court judgement dated 28 February 2019.

(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, value added tax, duty of custom, Goods and Services Tax and duty of excise that have not been deposited on account of dispute except for dues of service tax as disclosed below:

Name of statute	Nature of the Dues	Amount (INR)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service tax on late interest and non - sufficient funding charges	2,945,423	2013-16	Assistant Commissioner, Central GST, Pune
Finance Act, 1994	Service tax on late interest and non - sufficient funding charges	4,257,423	2016-2017	Assistant Commissioner, Central GST, Pune

- viii. The Company has not defaulted in repayment of dues to any bank and debenture holders during the year. The Company does not have any outstanding borrowings from government of financial institution.
- ix. In our opinion and according to the information and explanation given to us, the Company has utilized the money raised by way of term loans during the year for the purpose for which they were raised.



John Deere Financial India Private Limited

Independent Auditors' Report – 31 March 2019 (*continued*)


Annexure A to the Independent Auditor's Report on the Financial Statements (*continued*)

- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. The Company is a private Limited Company, accordingly reporting under paragraph 3 (xi) of the Order is not applicable to the Company.
- xii. In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company as per the Act. Thus, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. The Company is a 'private limited company' and therefore the provisions of section 177 of the Act are not applicable to the Company. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the transactions with related parties are in compliance with section 188 of the Act and the details, as required by the applicable accounting standards have been disclosed in the financial statements.
- xiv. According to the information and explanations given to us and based on examination of the records of the Company, the Company has made a preferential allotment of shares during the year. Further the Company has complied with the requirements of section 62 of the Act and the amounts raised have been used for the purposes for which the funds were raised. The Company has not made any private placement of shares or fully or partly convertible debentures during the year.
- xv. According to information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Thus, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained certificate of registration.

For B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/W-100024



Shiraz Vastani

Partner

Membership no.: 103334

Place: Pune

Date: 24 April 2019

John Deere Financial India Private Limited

Independent Auditors' Report – 31 March 2019 (continued)

Annexure B to the Independent Auditors' Report on the Financial Statements of John Deere Financial India Private Limited for the period ended 31 March 2019

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

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

Opinion

We have audited internal financial controls with reference to financial statements of John Deere Financial India Private Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial control with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Control

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statement. 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.



John Deere Financial India Private Limited

Independent Auditors' Report – 31 March 2019 (continued)

Annexure B to the Independent Auditors' Report on the Financial Statements of John Deere Financial India Private Limited for the period ended 31 March 2019 (continued)

Auditor's Responsibility (continued)

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



John Deere Financial India Private Limited

Independent Auditors' Report – 31 March 2019 (continued)

Annexure B to the Independent Auditors' Report on the Financial Statements of John Deere Financial India Private Limited for the period ended 31 March 2019 (continued)

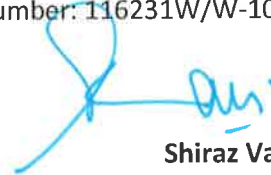
Inherent Limitation of Internal Financial Controls with reference to Financial Statements

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 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.

For B S R & Associates LLP

Chartered Accountants

Firm Registration Number: 116231W/W-100024



Shiraz Vastani

Partner

Membership no.: 103334

Place: Pune

Date: 24 April 2019

John Deere Financial India Private Limited
Balance Sheet as at 31 March 2019

(In Rupees)

Particulars	Note No.	As at 31 March 2019	As at 31 March 2018
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	3,439,000,000	2,939,000,000
(b) Reserves and surplus	4	367,418,650	143,461,643
		3,806,418,650	3,082,461,643
(2) Non-Current Liabilities			
(a) Long-term borrowings	5	10,945,000,000	3,998,000,000
(b) Other long-term liabilities	6	126,547,976	94,340,584
(c) Long-term provisions	7	339,791,343	217,623,401
		11,411,339,319	4,309,963,985
(3) Current liabilities			
(a) Short-term borrowings	8	-	2,000,000,000
(b) Trade payables	9		
(i) Total outstanding dues of micro enterprises and small enterprises		108,398	299,885
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		105,490,401	60,171,510
(c) Other current liabilities	10	2,803,451,116	2,907,660,993
(d) Short-term provisions	11	201,413,077	158,753,861
		3,110,462,992	5,126,886,249
TOTAL		18,328,220,961	12,519,311,877
II. ASSETS			
(1) Non-current assets			
(a) Property plant and equipment			
(i) Tangible assets	12	13,276,792	9,198,279
(ii) Capital work-in-progress		135,185	211,218
(b) Deferred tax asset (net)	24.13	222,188,303	160,202,552
(c) Long-term loans and advances	13	10,045,733,699	6,647,188,424
(d) Other non-current assets	14	17,394,637	-
		10,298,728,616	6,816,800,473
(2) Current assets			
(a) Cash and bank balances	15	762,905,605	174,910,449
(b) Short-term loans and advances	16	6,791,458,180	5,210,389,485
(c) Other current assets	17	475,128,560	317,211,470
		8,029,492,345	5,702,511,404
TOTAL		18,328,220,961	12,519,311,877

See accompanying notes forming part of the financial statements

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm Reg. No. 116231W/W-100024

Shiraz Vastani

Partner

Membership No. 103334

For and on behalf of the Board of Directors

John Deere Financial India Private Limited

CIN: U65923PN2011PTC141149

Managing Director

DIN: 07267664

Director

DIN: 07021106

Company Secretary

Finance Controller

Place: Pune

Date: 24/4/2019

Place: Pune

Date: 24-April-2019

John Deere Financial India Private Limited
Statement of Profit and Loss for the year ended 31 March 2019

(In Rupees)

Particulars		Note No.	For the year ended 31 March 2019	For the year ended 31 March 2018
I	Revenue from operations	18	2,300,893,138	1,517,311,215
II	Other income	19	27,980,461	14,588,314
III	Total revenue (I+II)		2,328,873,599	1,531,899,529
IV	Expenses			
	(a) Employee benefits expense	20	329,990,335	248,442,005
	(b) Finance cost	21	1,022,289,722	616,892,429
	(c) Depreciation and amortisation expense	12	5,824,784	4,122,649
	(d) Loan provisions and write offs	22	226,930,812	203,586,442
	(e) Other expenses	23	438,445,831	296,058,828
V	Total expenses		2,023,481,484	1,369,102,353
VI	Profit before tax (III - V)		305,392,115	162,797,176
VII	Tax expense:			
	Current tax		143,420,859	145,602,164
	(Excess)/short provision for tax relating to prior year		-	(479,164)
	Deferred tax		(61,985,751)	(63,842,610)
VIII	Profit for the year (VI - VII)		223,957,007	81,516,786
IX	Earnings per equity share (of Rs.10/- each) Basic and Diluted (Amount in Rs.)	24.10	0.76	0.28

See accompanying notes forming part of the financial statements

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm Reg. No. 116231W/W-100024

Shiraz Vastani

Partner

Membership No. 103334

For and on behalf of the Board of Directors

John Deere Financial India Private Limited

CIN:U65923PN2011PTC141149

Managing Director

DIN: 07267664

Director

DIN: 07021106

Company Secretary

Finance Controller

Place: Pune

Date: 24/4/2019

Place: Pune

Date: 24-April-2019

John Deere Financial India Private Limited
Cash Flow Statement for the year ended 31 March 2019

(In Rupees)

Particulars	Note No	For the year ended 31 March 2019	For the year ended 31 March 2018
I. Cash flows from operating activities			
Profit before tax		305,392,115	162,797,176
<u>Adjustments:</u>			
Interest on fixed deposits with bank		(3,397,606)	(1,949,304)
Finance cost		1,022,289,722	616,892,429
Unrealised forex loss on trade payables / receivable		(969,267)	149,910
(Gain) / Loss on fixed assets disposal		84,962	(14,817)
Depreciation		5,824,784	4,122,649
Operating cash flow before working capital changes		1,329,224,710	781,998,043
<u>Change in working capital:</u>			
Increase in Trade payables		46,096,671	29,328,782
Increase in loan provisions		149,748,701	170,843,996
Increase in other provisions		14,807,298	2,907,178
Increase in loans and advances		(4,959,386,370)	(4,305,563,467)
Increase in other liabilities		63,020,025	109,926,246
Increase in other current assets		(157,913,183)	(102,664,479)
Cash used in operating activities		(3,514,402,148)	(3,313,223,701)
Taxes paid		(163,377,300)	(147,697,249)
Net cash used in operating activities (A)		(3,677,779,448)	(3,460,920,950)
II. Cash flows from Investing activities			
Purchase of fixed assets		(9,982,179)	(5,469,915)
Insurance claim received on loss of fixed assets		69,953	50,817
Interest received from Banks		3,393,699	1,945,397
Net cash used in investing activities (B)		(6,518,527)	(3,473,701)
III. Cash flow from Financing activities			
Proceeds from issue of share capital		500,000,000	-
Net proceeds from borrowings from bank		4,722,000,000	4,238,000,000
Finance cost paid		(949,706,869)	(619,982,595)
Proceeds from Inter corporate deposits		7,397,699,000	700,000,000
Repayment of Inter corporate deposits		(7,397,699,000)	(700,000,000)
Net cash from financing activities (C)		4,272,293,131	3,618,017,405
Net increase/(decrease) in cash and cash equivalents (A+B+C)		587,995,156	153,622,754
Cash and cash equivalents at the beginning of the year		174,910,449	21,287,695
Cash and cash equivalents at the end of the year*		762,905,605	174,910,449

Notes:

* Comprises:

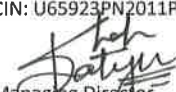
(a) Remittance in transit (Refer note 15)	429,115	335,583
(b) Balances with bank (Refer note 15)		
(i) In current accounts	762,476,490	174,574,866
	762,905,605	174,910,449

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm Reg. No. 116231W/W-100024

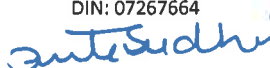
Shiraz Vastani
Partner
Membership No. 103334

Place: Pune
Date: 24/4/2019

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


Managing Director
DIN: 07267664


Director
DIN: 07021106


Company Secretary


Finance Controller

Place: Pune
Date: 24-APR-2019

John Deere Financial India Private Limited
Notes forming part of 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. 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.

John Deere Financial India Private Limited has become 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 September 01, 2016 updated as on 22nd Feb 2019 issued by the Reserve Bank of India (RBI).

2. Significant Accounting Policies

a) Basis for preparation of financial statements:

These financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) rules, 2014, the guidelines as issued by the RBI in respect of NBFCs and other accounting principles generally accepted in India to the extent applicable. The financial statements have been prepared in Indian rupees.

b) Use of Estimates

The preparation of the financial statements, in conformity with the Indian GAAP, 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.

c) Current – non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.



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

d) Revenue Recognition:

- i. Finance income on loans given to customers is accounted for by applying the interest rate implicit in such contracts. In accordance with the prudential norms for income recognition issued by the Reserve Bank of India for Non-banking Financial Companies, income on non-performing assets is recognized on receipt basis. Any such income recognized before the asset became non-performing and remaining unrealized is reversed.
Interests on delayed payments and charge for dishonor of cheques on account of uncertainty of ultimate collection are accounted for on receipt basis.
- ii. Processing fee is amortized over the tenure of the underlying contracts based on interest rate implicit in such contracts.
- iii. Interest income on fixed deposits is accounted on accrual basis and is recognised on a time proportion basis.
- iv. Management fees income are the charges for the services provided during the year. The compensation is based on fair market value (Arm's length) which would include cost plus mark up. Cost for this purpose would include all the direct plus indirect cost. Allocation of cost is determine from time to time.

e) Loans to customer (financing activity):

Loans to customers (financing activity) represent principal and matured finance charges outstanding at the close of the year.

The Company has made provision for the Non-Performing assets identified and Standard Assets, in accordance with Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 updated as on 22nd February 2019 issued by Reserve Bank of India (RBI). As per the practice consistently followed, the Company has also made additional provision on a prudential basis and is disclosed under "Long-term provision" and "Short-term provision" in **Note 7 and Note 11** respectively in the financial statements. (Refer 24.11 of notes to accounts)

Bad debts and write offs includes loss on termination which mainly represents shortfall on settlement of certain contracts due to lower realization from such loan assets on account of poor financial position of such customers.

f) Fixed Assets:

Tangible assets:

Fixed assets are carried at cost less accumulated depreciation/amortization. The cost of fixed assets comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and interest on borrowings attributable to acquiring qualifying fixed assets upto the date the asset is ready for its intended use. Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realizable value and disclosed separately.

g) Depreciation:

Fixed assets are depreciated on a straight-line method, based on the following estimates of their useful economic lives

Particulars	Useful Life (in years)
Computers and Network Equipment's	3-5
Furniture and Fixtures	5-8

The economic useful life of assets has been assessed based on a technical evaluation, which is different from the useful life specified in the Schedule II of the Companies Act, 2013, taking into account the nature of assets, the estimated usage of assets, the operating condition of the assets, past history of replacement, anticipated technological changes, maintenance history etc.

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

Depreciation on assets acquired/purchased, sold or discarded during the year is provided on pro-rata basis.



h) 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 recognised 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 recognised for the asset or cash generating unit in prior years. A reversal of impairment loss is recognised immediately in the Statement of Profit and Loss.

i) Retirement benefits:

Short-term Employee Benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by the employees is recognized during the year when the employees render the service.

Post-Employment Benefits:

Defined Contribution Plans:

Payments to defined contribution retirement benefit scheme viz. Company's Provident Fund Scheme is recognized as an expense when the employees have rendered the service entitling them to the contribution.

Defined Benefit Plan:

The Company's liability towards gratuity is determined using the Projected Unit Credit method, with actuarial valuation being carried out at each balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service costs is recognized on a straight line basis over the average period until the benefits become vested. To the extent the benefits are vested, the past service cost is recognized immediately in the Statement of Profit and Loss.

The liability recognized in the Balance Sheet represents the present value of the defined benefit obligation adjusted for unrecognised past service costs and as reduced by the fair value of the scheme assets.

Other Long-term Employee Benefits:

The Company's liability towards compensated absences which are not expected to accrue within twelve months after the end of the period in which the employee renders the related service is determined by using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date.

j) Foreign currency transactions:

Transactions in foreign currency are initially recorded at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary foreign currencies items are carried at their historical costs and not retranslated. Gains and losses arising on translation and settlement of foreign currency monetary assets and liabilities are recognised in the Statement of Profit and Loss.



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

k) Taxes on Income:

Tax expense comprises of current tax and deferred tax.

Current tax is measured at the amount expected to be paid to/ recovered from the tax authorities, using the applicable tax rates and tax laws.

Minimum Alternate Tax (MAT) credit entitlement available under section 115 JAA of the Income Tax Act, 1961 is recognized to the extent that there is convincing evidence that the Company will pay normal income tax during the specified future period. The Company reviews the carrying amount of MAT credit entitlement at each balance sheet date and writes down the carrying amount to the extent there is no longer convincing evidence that the Company will pay normal income tax during the specified future period.

Deferred tax is recognized on timing differences between taxable income and accounting income which originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using substantively enacted tax rates and tax laws as at reporting date. Deferred tax assets are recognized for timing differences (other than unabsorbed depreciation and carry forward losses) only to the extent that reasonable certainty exists that sufficient future income will be available against which these can be realized. Deferred tax assets in respect of unabsorbed depreciation and carried forward losses are recognized only if there is virtual certainty that sufficient future taxable income will be available to realize the assets. Deferred tax assets are reviewed at each balance sheet date for their realizability.

l) Cash flow statement:

Cash flows are reported using the "indirect method" set out in Accounting Standard 3 "Cash Flow Statements" and presents the cash flow by operating, investing and financing activities of the Company.

Cash and cash equivalents presented in cash flow statement consists of cash in hand and unencumbered, highly liquid bank and other balances that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

m) Earnings per share:

The Company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard 20 "Earnings per Share". Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholder by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss attributable to equity shareholders by weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

n) Leases:

Leases are classified as finance leases when the terms of the lease transfers substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments as determined at the inception of the lease. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so to achieve a constant rate of interest on the remaining balance of liability. Finance charges are recognised in the Statement of Profit and Loss.

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.



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

o) Provision and contingent liabilities:

Provisions:

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Contingent liabilities:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

p) Borrowing costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. Other borrowing costs are recognized as expense in the period in which they are incurred. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale.

q) Employee stock option scheme:

The excess of the market price of shares, at the year end over the exercise price under the Employee Stock Option Schemes of the Company, is regarded as employee compensation, and recognised on a straight-line basis over the period over which the employees would become unconditionally entitled to apply for the shares.



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

Note 3: Share capital

(In Rupees)

Particulars	As at 31 March 2019	As at 31 March 2018
(a) Authorised : 800,000,000 (31 March 2018: 300,000,000) Equity shares of Rs. 10/- each	8,000,000,000	3,000,000,000
(b) Issued, Subscribed and fully Paid-Up : 343,900,000 (31 March 2018: 293,900,000) Equity shares of Rs. 10/- each fully paid-up	3,439,000,000	2,939,000,000

Notes:

i) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of shares	(In Rupees)	Number of shares	(In Rupees)
Equity shares outstanding at the beginning of the year	293,900,000	2,939,000,000	293,900,000	2,939,000,000
Add: Equity shares issued during the year	50,000,000	500,000,000	-	-
Equity shares outstanding at the end of the year	343,900,000	3,439,000,000	293,900,000	2,939,000,000

ii) Details of Equity shares held by holding company, the ultimate holding company and their subsidiaries/associates :

Name of the Shareholder	As at 31 March 2019		As at 31 March 2018	
	Number of shares	% of holding	Number of shares	% of holding
Deere & Company (Ultimate Holding Company)				
- held by John Deere India Private Limited (a wholly owned subsidiary of John Deere Asia (Singapore) Pte Limited), Holding Company	343,899,990	100.00	293,899,990	100.00
- held by John Deere Holdings SARL (Subsidiary of Ultimate Holding Company)	10	0.00	10	0.00
Total	343,900,000	100	293,900,000	100

iii) Details of shares held by each shareholder holding more than 5% shares:

Name of the Shareholder	As at 31 March 2019		As at 31 March 2018	
	Number of shares	% of holding	Number of shares	% of holding
John Deere India Private Limited (the Holding Company)	343,899,990	100.00	293,899,990	100.00

iv) The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.



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

Note 4: Reserves and surplus

(In Rupees)

Particulars	As at 31 March 2019	As at 31 March 2018
Surplus in Statement of Profit and Loss		
As per last Balance Sheet	65,757,957	544,528
Add: Profit for the year	223,957,007	81,516,786
Less: Transfer to Statutory reserve under section 45IC of RBI Act	44,791,401	16,303,357
Balance at the end of the year	244,923,563	65,757,957
Statutory Reserve under 45IC of RBI Act 1934		
As per last Balance Sheet	77,703,686	61,400,329
Add: Transfer from surplus in statement of Profit and loss	44,791,401	16,303,357
Balance at the end of the year	122,495,087	77,703,686
Total	367,418,650	143,461,643

Note 5: Long-term borrowings

(In Rupees)

Particulars	As at 31 March 2019	As at 31 March 2018
Term Loan from bank (unsecured)	2,945,000,000	3,998,000,000
Non Convertible Debentures (NCD - Unsecured)	8,000,000,000	-
Total	10,945,000,000	3,998,000,000

Notes for Bank loan repayment

(In Rupees)

Particulars	Standard Chartered Bank	The Bank of Tokyo Mitsubishi UFJ Ltd., India	ICICI Bank
Term loan commencing from	23rd May 2017	20th January 2016	27th March 2017
Years of repayment			
FY-2022-23	-	-	370,000,000
FY-2021-22	455,000,000	-	630,000,000
FY-2020-21	410,000,000	290,000,000	790,000,000
FY-2019-20	715,000,000	623,000,000	1,185,000,000
Repayable in quarterly installments			

Notes for Non Convertible Debentures repayment

(In Rupees)

Particulars	Amount	Redemption Date
9.30% Non Convertible Debentures (Privately Placed)	3,000,000,000	25-Sep-20
9.45% Non Convertible Debentures (Privately Placed)	5,000,000,000	10-Jan-22

Note 6: Other long-term liabilities

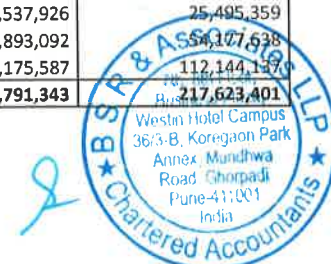
(In Rupees)

Particulars	As at 31 March 2019	As at 31 March 2018
Unearned revenue	126,547,976	94,340,584
	126,547,976	94,340,584

Note 7: Long-term provisions

(In Rupees)

Particulars	As at 31 March 2019	As at 31 March 2018
(a) Provision for employee benefits:		
(i) Provision for compensated absences	33,174,412	25,707,385
(ii) Provision for gratuity (Refer note 24.6)	4,010,326	98,882
(b) Provision - others		
(i) Contingency provisions (Refer note 24.11)	38,537,926	25,495,359
(ii) Provision for losses on standard assets (Refer note 24.11)	81,893,092	54,317,638
(iii) Provision for non performing assets (Refer note 24.11)	182,175,587	112,144,137
Total	339,791,343	317,623,401



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

Note 8: Short-term borrowings

(In Rupees)

Particulars	As at 31 March 2019	As at 31 March 2018
Short term borrowing : (unsecured from banks)		
Working capital loan from The Bank of Tokyo Mitsubishi UFJ Ltd., India (Repayable on demand)	-	2,000,000,000
	-	2,000,000,000

Note 9: Trade payables

(In Rupees)

Particulars	As at 31 March 2019	As at 31 March 2018
Other than acceptances:		
(a) Total outstanding dues of micro enterprises and small enterprises (Refer note 24.12)	108,398	299,885
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	105,490,401	60,171,510
Total	105,598,799	60,471,395

Note 10: Other current liabilities

(In Rupees)

Particulars	As at 31 March 2019	As at 31 March 2018
(a) Current maturities of long term borrowings (Refer note 5)	2,523,000,000	2,748,000,000
(b) Accrued Interest Expenses on NCD	93,673,973	-
(c) Interest accrued but not due on borrowings	6,495,029	10,191,511
(d) Current maturities of unearned revenue	76,136,355	55,401,596
(e) Accrued employee cost	44,877,626	34,581,023
(f) Other payable		
(i) Statutory dues	7,376,464	4,816,086
(ii) Advance installments received	51,891,669	54,670,777
Total	2,803,451,116	2,907,660,993

Note 11: Short-term Provisions

(In Rupees)

Particulars	As at 31 March 2019	As at 31 March 2018
(a) Provision for employee benefits:		
(i) Provision for compensated absences	6,439,082	3,451,839
(ii) Provision for gratuity (Refer note 24.6)	1,833,369	1,391,784
(b) Provision - others		
(i) Provision for tax (Net of advance tax Rs. 123,752,679 (31 March 2018 - Rs. 48,120,608))	422,940	151,781
(ii) Contingency provisions (Refer note 24.11)	25,233,098	19,438,248
(iii) Provision for losses on standard assets (Refer note 24.11)	53,620,334	41,313,238
(iv) Provision for non performing assets (Refer note 24.11)	113,864,254	93,006,971
Total	201,413,077	158,753,861



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

Note 12: Property plant and equipment

Description of assets	Gross Block				Depreciation			Net Block	
	As at	Additions	Deletions	As at	For the year	Deletions	As at	As at	
	1 April 2018	31 March 2019	1 April 2018	31 March 2019	31 March 2019	31 March 2019	31 March 2019	31 March 2019	
Tangible Assets:									
Computers and Networking Equipment	21,337,292 (19,706,638)	7,969,844 (5,258,697)	1,964,093 (3,628,043)	27,343,043 (21,337,292)	5,432,137 (4,091,308)	1,809,178 (3,592,043)	15,865,336 (12,242,377)	11,477,707 (9,094,915)	
Furniture and Fittings	259,719 (259,719)	2,088,369 -	- -	2,348,088 (259,719)	392,647 (31,341)	- -	549,002 (156,355)	1,799,085 (103,364)	
Total	21,597,011 (19,966,357)	10,058,212 (5,258,697)	1,964,093 (3,628,043)	29,691,130 (21,597,011)	5,824,784 (4,122,649)	1,809,178 (3,592,043)	16,414,338 (12,398,732)	13,276,792 (9,198,279)	

Notes:

- I. The company has not taken any asset on finance lease and has not given any assets on operating lease
- II. Previous years figures are stated in brackets



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

Note 13: Long-term loans and advances

(In Rupees)

Particulars	As at 31 March 2019	As at 31 March 2018
To parties other than related parties		
(a) Loans to customers under financing activities - Secured (Refer notes 7 & 11)		
- Considered good	9,634,481,438	6,373,839,817
- Considered non performing	383,401,569	265,725,515
Unsecured considered good -		
(b) Advance Income Tax (net of provision of Rs. 290,080,871/- (31 March 2018 - Rs. 239,747,943))	23,470,667	3,243,067
(c) Deposit with bank, deposited with government authorities	50,000	50,000
(d) Deposits	4,330,025	4,330,025
Total	10,045,733,699	6,647,188,424

Note 14: Other non-current assets

(In Rupees)

Particulars	As at 31 March 2019	As at 31 March 2018
Unamortised Debt Issuance Cost	17,394,637	-
Total	17,394,637	-

Note 15: Cash and bank balances

(In Rupees)

Particulars	As at 31 March 2019	As at 31 March 2018
Cash and cash equivalents:		
(a) Remittance in transit	429,115	335,583
(b) Balances with banks		
(i) In current accounts	762,476,490	174,574,866
Total	762,905,605	174,910,449

Note 16: Short-term loans and advances

(In Rupees)

Particulars	As at 31 March 2019	As at 31 March 2018
To parties other than related parties		
(a) Loans to customers under financing activities - Secured (Refer notes 7 & 11)		
- Considered good	6,308,244,095	4,859,498,397
- Considered non performing	448,981,290	331,936,395
Unsecured considered good-		
(a) Employee advances	7,009,101	3,853,943
(b) Prepaid expenses	6,098,038	8,045,681
(c) GST receivable	9,805,973	4,009,404
(d) GST Export receivable- from government Authorities	6,893,038	2,464,978
(e) Advances to supplier	4,426,645	580,687
Total	6,791,458,180	5,210,389,485

Note 17: Other current assets

(In Rupees)

Particulars	As at 31 March 2019	As at 31 March 2018
(a) Interest accrued but not due on loans to customers- Secured considered good	442,205,921	307,280,696
Unsecured considered good-		
(a) Interest accrued but not due on fixed deposits	11,322	7,415
(b) Current portion of Unamortised Debt Issuance Cost	13,981,721	
(c) Other receivables	18,929,596	9,923,359
Total	475,128,560	317,211,470



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

Note 18: Revenue from operations

(In Rupees)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from operations		
(i) Finance income	2,264,289,445	1,498,000,888
(ii) Processing fees and other charges	36,603,693	19,310,327
Total	2,300,893,138	1,517,311,215

Note 19: Other income

(In Rupees)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest on fixed deposits with bank	3,397,606	1,949,304
Management fees	24,081,871	12,099,867
Foreign exchange gain (net)	-	148,266
Insurance claim received	69,953	50,817
Miscellaneous Income	431,031	340,060
Total	27,980,461	14,588,314

Note 20: Employee benefits expense

(In Rupees)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries and wages	309,525,670	222,759,831
Contributions to provident and other funds	11,094,553	8,496,693
Employee Stock option scheme expenses (includes prior period expenses of Nil (2018 Rs. 3,841,702))	2,824,601	13,433,338
Staff welfare expenses	6,545,511	3,752,143
Total	329,990,335	248,442,005

Note 21: Finance Cost

(In Rupees)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest expense on		
(i) Borrowings from banks	763,027,949	613,930,123
(ii) Commercial Paper	233,898,000	-
(iii) Inter corporate deposit	5,940,000	2,962,306
Amortisation of Ancilliary cost on borrowings	19,423,773	-
Total	1,022,289,722	616,892,429

Note 22: Loan provisions and write offs

(In Rupees)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Loans and advances written off (net of recoveries)	77,182,111	32,742,447
Provision for standard and substandard assets	130,911,284	151,425,674
Contingency provision on standard assets	18,837,417	19,418,321
Total	226,930,812	203,586,442



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

Note 23: Other expenses

(In Rupees)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Facility cost	18,942,650	17,610,011
Repairs and maintenance - others	4,504,228	1,295,803
Insurance	3,462,585	2,445,154
Communication expenses	2,837,466	2,558,903
Travelling and conveyance	84,320,690	67,234,995
Marketing expenses	349,128	1,295,894
Legal and professional	19,746,694	15,511,137
Outsourcing Cost	14,798,016	4,337,822
Audit fees (Refer note 24.2)	808,850	643,000
Foreign exchange loss (net)	845,077	-
Fixed assets written off	154,915	36,000
Management fees	75,863,627	37,336,503
Contract labour expenses	78,992,685	47,622,692
Information system expenses	87,967,663	76,457,147
Recruitment and training expenses	12,519,332	6,125,922
CSR Expenses (Refer note 24.14)	2,788,800	-
Miscellaneous expenses	29,543,425	15,547,845
Total	438,445,831	296,058,828



24.1 Contingent liabilities and Commitments :-

Contingent liabilities		(In Rupees)	
Particulars	31-Mar-19	31-Mar-18	
Consumer Redressal Matters*	100,000	300,000	
Service Tax Matters	7,202,846	2,945,423	
Total	7,302,846	3,245,423	

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

In reference to recent judgement of Honorable Supreme Court dated 28th February 2019 on Provided Fund, Company believes, based on advice from its Internal legal counsel, that there are interpretative challenges and considerable uncertainty on the application of the judgement retrospectively. Consequently, the company is not able to make a reliable estimate of the amount involved. Further, the amount involved prospectively from the date of the judgement is not material.

Commitments		(In Rupees)	
Particulars	31-Mar-19	31-Mar-18	
Estimated amount of capital contracts to be executed on capital account and not provided for (net of advance)	3,144,694	881,278	
Loan to customer under financing activities	106,934,646	111,440,468	

24.2 Payment to Auditors :

Particulars		(In Rupees)	
		31-Mar-19	31-Mar-18
As Auditors			
a)	Statutory audit	500,000	500,000
b)	Tax Audit	100,000	100,000
In other capacity -			
	Certification	125,000	25,000
	For reimbursement of expenses	15,000	18,000
Total		740,000	643,000

*Excluding indirect tax

24.3 Expenditure in foreign currency (on accrual basis) on account of:

Particulars		(In Rupees)	
		31-Mar-19	31-Mar-18
a)	Relocation expenses	1,691,939	707,235
b)	Information system expenses	71,315,350	57,811,552
c)	Management fees	27,672,552	482,691
d)	Travelling and conveyance	1,906,705	2,085,198
e)	Staff welfare	6,791,430	285,941
Total		109,377,976	61,372,617

24.4 Earnings in foreign currency (on accrual basis)

Particulars		(In Rupees)	
		31-Mar-19	31-Mar-18
a)	Management fees	24,081,871	12,099,867

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

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

Particulars	31-Mar-19		31-Mar-18	
	Amount In original currency	Amount In INR	Amount In original currency	Amount In INR
Receivables				
a) USD	128,801	8,911,070	15,096	982,974
b) THB	1,877,813	4,093,142	226,263	472,518
Payables				
a) USD	642,486	44,450,417	126,795	8,256,252
b) EURO	3,578	277,665	4,423	354,843



24.6 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 the fund the benefits. The Company has recognized contribution to provident fund of Rs.9,943,675 in the Statement of Profit and Loss for the year ended 31 March 2019 (31 March 2018: Rs.7,851,330). 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.

The details of the gratuity plan are as follows:

	(In Rupees)	
Particulars	31-Mar-19	31-Mar-18
I) Change in the defined benefit obligation for gratuity		
Projected benefit obligation at the beginning of the year	22,465,479	18,713,674
Current service cost	3,946,536	3,476,097
Interest cost	1,789,425	1,328,258
Actuarial loss/ (gain)	6,065,369	(905,357)
Benefits paid	(195,329)	(147,193)
Projected benefit obligation at the end of the year	34,071,480	22,465,479
ii) Change in Plan Assets		
Fair value of the Assets at the beginning of the Year	20,974,813	15,435,423
Expected return on plan assets	1,870,172	1,301,052
Contribution	5,000,000	4,921,596
Benefits Paid	(195,329)	(147,193)
Actuarial Gain/(Loss) on planned assets	578,129	(536,065)
Fair value of plan asset at the end of the year	28,227,785	20,974,813
iii) Gratuity Cost for the year		
Current service cost	3,946,536	3,476,097
Interest cost	1,789,425	1,328,258
Expected return on plan assets	(1,870,172)	(1,301,052)
Actuarial losses/ (gain)	5,487,239	(369,293)
Net Periodic Gratuity Cost	9,353,029	3,134,011
Actual Return on Plan Assets		
Expected Return on Plan Assets	1,870,172	1,301,052
Actuarial Gain/ (Loss) on planned assets	578,129	(536,065)
Actual Return on Plan Assets	2,448,301	764,987
Amount recognized In Balance Sheet		
Present value of defined benefit obligation	(34,071,480)	(22,465,479)
Fair value of plan assets	28,227,785	20,974,813
Net Liability recognized in the Balance Sheet	(5,843,695)	(1,490,666)
Actual Contribution and Benefit paid		
Benefit paid	195,329	147,193
Contribution made	5,000,000	4,921,596
The Major categories of plan assets as percentage of total plan assets		
Insurer Managed Funds	100.00%	100.00%
Assumptions		
Discount rate	7.60%	8.00%
Rate of increase in compensation levels of covered employees	9.00%	9.00%
Rate of Return	7.60%	8.00%

The company expects INR 18,33,368 in contribution to pay its defined benefit plan in the next year (Previous year : INR 13,91,784)

Experience Adjustments

	(In Rupees)				
Particulars	31-Mar-19	31-Mar-18	31-Mar-17	31-Mar-16	31-Mar-15
Projected benefit obligation	34,071,480	22,465,479	18,713,674	12,009,147	7,741,798
Fair value of plan assets	28,227,785	20,974,813	15,435,423	10,322,590	6,094,068
(Surplus)/Deficit in the plan	5,843,695	1,490,666	3,278,251	1,686,557	1,647,730
Experience adjustments on plan assets	578,129	(536,065)	36,150	(100,487)	169,503
(Gains)/losses due to change in assumptions	1,613,298	(2,014,749)	1,331,805	(491,428)	1,367,049
Experience (Gains)/losses on PBO	4,452,070	1,109,392	2,002,468	1,935,003	(648,692)
Total (Gain)/loss	6,065,369	(905,357)	3,334,273	1,441,525	1,567,657



C. Compensated Absences:

Compensated absences which are not expected to occur within twelve months after the end of period in which the employee renders the related services are recognized as liability at the present value of defined benefit obligation as at the balance sheet date. Accordingly, an amount of Rs.9,449,376 been charged to the Statement of Profit and Loss for the year ended 31 March 2019 (31 March 2018: Rs.5,810,415).

24.7 The Company is engaged in primarily financing farm equipment manufactured and sold in India by its holding company and its affiliates which, in the context of Accounting Standard 17 – "Segment Reporting" constitute majorly single reportable business segment.

24.8 Disclosures as required by the Accounting Standard 18 (AS – 18) "Related Party Disclosures" are given below:

a) Names of related parties and description of relationship:

Sr No.	Names of Related party	Nature of Relationship
1	Mr. Satyen Suhas Shah- Managing Director	Key Management Personnel (KMP)
2	Mr. Ajit Jain- Director	Key Management Personnel (KMP)
3	Mr. Michael James Matera- Director (upto 6th September 2018)	Key Management Personnel (KMP)
4	Mr.Felix Frie- Director	Key Management Personnel (KMP)
5	Mr. Sudhir Thite – Company Secretary	Key Management Personnel (KMP)
6	Deere & Company	Ultimate Holding Company
7	John Deere India Private Limited	Holding Company
8	John Deere Asia Singapore Pte Limited	Intermedate Holding Company
9	Deere Credit Services Inc	Fellow Subsidiary (where transaction exist)
10	John Deere GMBH & Company	Fellow Subsidiary (where transaction exist)
11	John Deere Brasil Ltda.	Fellow Subsidiary (where transaction exist)
12	John Deere Leasing (Thailand) Limited	Fellow Subsidiary (where transaction exist)
13	John Deere Finance Lease Co Ltd (China)	Fellow Subsidiary (where transaction exist)
14	Banco John Deere S.A.	Fellow Subsidiary (where transaction exist)
15	John Deere Financial Limited (Australia)	Fellow Subsidiary (where transaction exist)
16	Wirtgen India Private Limited	Fellow Subsidiary (where transaction exist)

b) Transaction with Related parties:-

Sr. No.	Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	KMP	Total
1	Remuneration- KMP	-	-	-	20,395,924	20,395,924
		(-)	(-)	(-)	(17,897,563)	(17,897,563)
2	Inter Company deposit received	-	7,397,699,000	-	-	7,397,699,000
		(-)	(700,000,000)	(-)	(-)	(700,000,000)
3	Inter Company Deposit repaid	-	7,397,699,000	-	-	7,397,699,000
		(-)	(700,000,000)	(-)	(-)	(700,000,000)
4	Allotment of Equity shares	-	500,000,000	-	-	500,000,000
		(-)	(-)	(-)	(-)	-
5	Interest expense	-	5,940,000	-	-	5,940,000
		(-)	(2,962,306)	(-)	(-)	(2,962,306)
6	Other reimbursement	-	50,486,044	1,217,760	-	51,703,804
		(-)	(37,861,307)	(-)	(-)	(37,861,307)
7	Management fees (Income)	-	-	24,081,871	-	24,081,871
		(-)	(-)	(12,099,867)	(-)	(12,099,867)
8	Management fees (Expense)	-	42,734,549	27,672,552	-	70,407,101
		(-)	(33,403,707)	(482,691)	(-)	(33,886,398)
9	Facility cost	-	12,119,784	-	-	12,119,784
		(-)	(14,749,755)	(-)	(-)	(14,749,755)
10	Information system- Expenses	69,933,686	8,288,586	1,381,664	-	79,603,936
		(56,394,526)	(8,817,436)	(1,417,026)	(-)	(66,628,987)
11	Reimbursement of Salary (paid)	-	19,890,799	-	-	19,890,799
		(-)	(-)	(-)	(-)	-
12	Reimbursement of Salary (received)	-	-	6,980,625	-	6,980,625
		(-)	(-)	(-)	(-)	-
13	Other expenses	8,483,369	909,936	-	-	9,393,305
		(993,176)	(1,753,850)	(-)	(-)	(2,747,026)
14	Other Income	-	13,950,257	-	-	13,950,257
		(-)	(-)	(-)	(-)	-
15	Payables at the end of the year	21,204,679	16,065,379	23,523,403	163,510	60,956,970
		(8,183,250)	(4,426,657)	(6,476,415)	(49,687)	(19,136,009)
16	Receivables at the end of the year	-	-	13,004,212	-	13,004,212
		(-)	(-)	(7,504,061)	(-)	(7,504,061)

Notes:

- 1) The amounts are excluding indirect taxes
- 2) There are no amounts written off or written back during the year in respect of debts due from related party.
- 3) Figures in brackets represent figures for previous year.
- 4) Remuneration excludes provision for employee benefits as separate actuarial valuation for KMP is not available.



24.9 Operating Leases:

The Company has taken office premises under operating leases. These lease arrangements are ranging between 11 months to 60 months generally or longer and are renewable by mutual consent and on mutually agreeable terms. The future lease payments in respect of non-cancellable operating lease are as follows:

		(In Rupees)	
Sr No.	Particulars	31-Mar-19	31-Mar-18
a)	Not Later than 1 year	5,048,000	4,968,000
b)	Later than 1 year and not later than 5 years	3,933,000	8,901,000
c)	Later than 5 years	-	-
d)	Lease rental charge to the statement of profit and loss (Includes amount pertaining to non-cancellable lease Rs.5,064,000 (March 31, 2018 Rs.1,244,938))	18,942,650	17,610,011

24.10 Earnings Per Share is calculated as follows:

		(In Rupees)	
Sr No.	Particulars	31-Mar-19	31-Mar-18
a)	Net Profit attributable to shareholders (In Rupees)	223,957,007	81,516,786
b)	Weighted average number of Equity Shares	295,817,808	293,900,000
c)	Nominal value of equity share (In Rupees)	10	10
d)	Basic and Diluted	0.76	0.28

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

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

		(In Rupees)	
Particulars	31-Mar-19	31-Mar-18	
Opening balance	345,575,591	174,731,595	
Provided during the year	136,042,079	82,040,907	
Provision for non-performing asset during the year	90,888,733	121,545,536	
Provision utilized during the year	(77,182,111)	(32,742,447)	
Closing balance	495,324,292	345,575,591	

(Refer 2e of significant accounting policies for brief description of the nature of the provision)

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

		(In Rupees)	
Particulars	31-Mar-19	31-Mar-18	
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	108,398	299,885	
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	60,888	19,176	
Interest paid to suppliers under MSMED Act (other than section 16)	-	-	
Interest paid to suppliers under MSMED Act (section 16)	-	-	
Interest due and payable to suppliers under MSMED Act for payments already made beyond the appointed date during the current year	209	177	
Interest accrued and remaining unpaid to suppliers under MSMED as at year end	209	177	
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	-	-	

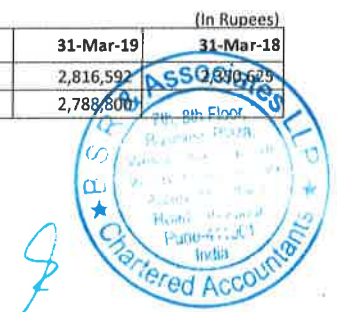
24.13 The tax effect of significant timing differences that has resulted in deferred tax assets and liabilities are given below:

		(In Rupees)	
Particulars	31-Mar-19	31-Mar-18	
Deferred tax liabilities			
- Depreciation	442,289	718,444	
- Prepaid expenses	-	920,891	
Total	442,289	1,639,335	
Deferred tax assets			
- Provision for standard and substandard assets	144,238,434	100,631,612	
- Provision for employee benefits and incentives	19,370,480	17,605,353	
- Provision for unearned revenue	59,021,677	43,604,922	
Total	222,630,592	161,841,887	
Net deferred tax Asset	222,188,303	160,202,552	

24.14 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.

		(In Rupees)	
Particulars	31-Mar-19	31-Mar-18	
(a) Gross amount required to be spent by the Company during the year	2,816,592	2,816,592	
(b) Amount spent during the year :	2,788,600	2,788,600	



24.15 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-19	31-Mar-18	31-Mar-19	31-Mar-18
1. 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

This table includes both stock options only		31-Mar-19		31-Mar-18		31-Mar-19		31-Mar-18	
2. Number and weighted average exercise prices of share options for each of the following groups of options:		No.	Rs.	No.	Rs.	No.	Rs.	No.	Rs.
(i)	outstanding at the beginning of the period	2,862	5,867	2,862	5,515	258	8,404	153	6,540
(ii)	granted during the period	0	0.00	0	0.00	178	10,250	105	9,883
(iii)	forfeited during the period	0	0.00	0	0.00	0	0.00	0	0.00
(iv)	exercised during the period	0	0.00	0	0.00	0	0.00	0	0.00
(v)	expired during the period	0	0.00	0	0.00	0	0.00	0	0.00
(vi)	outstanding at the end of the period	2,862	5,867	2,862	5,515	436	9,158	258	7,900
(vii)	exercisable at the end of the period	2,561	5,827	2,561	5,557	0	0	0	0.00

	31-Mar-19		31-Mar-18		31-Mar-19		31-Mar-18	
3. (i) For share options exercised during the period, disclose the weighted average share price at the date of exercise	0	0.00	0	0.00	0	0.00	0	0.00
3. (ii) If options were exercised on a regular basis throughout the period, disclose the weighted average share price during the period	0	0.00	0	0.00	0	0.00	0	0.00

	31-Mar-19		31-Mar-18		31-Mar-19		31-Mar-18	
	No.	Rs.	No.	Rs.	No.	Rs.	No.	Rs.
4. For share options outstanding at the end of the period:								
(i) The range of exercise prices and weighted average price for remaining contractual life	2,862	5,867	2,862	5,515	436	9,158	258	7,900
(ii) If the range of exercise price is wide, the outstanding options shall be divided into ranges that are meaningful for assessing the number and timing of additional shares that may be issued and the cash that may be received upon exercise of those options								

For convenience, amounts in Indian Rupees in Note 24.15 represents US dollar amount translated at March 31, 2019 rate of Rs. 69.189= US dollar 1.00 and at March 31, 2018 Rs. 65.04 = US dollar 1.00.



Share based payments expenditure:

Share based payments expense (included in Note 20: Employee Benefit Expense) recognised 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.

24.16 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 22nd Feb 2019 issued by Reserve Bank of India (RBI) (Annex II)

Liabilities side :		(In Rupees)	
Particulars		Amount Outstanding as at 31 March 2019	Amount Overdue as of 31 st March 2019
1	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
(a)	Debtures : Secured	-	(-)
	: Unsecured	8,093,673,973	-
	(other than falling within the meaning of public deposits)	(-)	(-)
(b)	Deferred Credits	(-)	(-)
(c)	Term Loans	5,474,495,029 (6,753,462,045)	
(d)	Inter-corporate loans and borrowing	(-)	(-)
(e)	Commercial Paper	(-)	(-)
(f)	Public Deposits		
(g)	Other Loans - Working capital loan	(2,002,729,466)	(-)
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 debtures	(-)	(-)
	In the form of partly secured debtures i.e. debtures where there is a shortfall in the value of security	(-)	(-)
(c)	Other public deposits	(-)	(-)

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

Assets side :		(In Rupees)	
Particulars		Amount outstanding as at 31 March 2019	
3	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a)	Secured		(-)
(b)	Unsecured		(-)
4	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i)	Lease assets including lease rentals under sundry debtors :		
(a)	Financial lease		(-)
(b)	Operating lease		(-)
(ii)	Stock on hire including hire charges under sundry debtors:		
(a)	Assets on hire		(-)
(b)	Repossessed Assets		(-)
(iii)	Other loans counting towards AFC activities		
(a)	Loans where assets have been repossessed		63,333,532 (53,410,944)
(b)	Loans other than (a) above		16,711,774,859 (11,777,589,180)



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



6	Borrower group-wise classification of assets financed as in (3) and (4) above:	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	16,775,108,391	-	16,775,108,391
		(11,831,000,124)	(-)	(11,831,000,124)
		16,775,108,391	-	16,775,108,391
		(11,831,000,124)	(-)	(11,831,000,124)
	Total			

** As per Accounting Standards of ICAI

Note: Figures in the brackets represents figures for previous year

7	Investor group-wise classification of all Investments (current and long term) in shares and securities (both quoted and unquoted):	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		

** As per Accounting Standards of ICAI

Note: Figures in the brackets represents figures for previous year

8	Other information	Particulars	(In Rupees)
(i)	Gross Non-Performing Assets		
(a)	Related parties	-	-
(b)	Other than related parties	832,382,858	(597,661,910)
(ii)	Net Non-Performing Assets		
(a)	Related parties	-	(-)
(b)	Other than related parties	536,343,017	(392,510,802)
(iii)	Assets acquired in satisfaction of debt	-	(-)

Note: Figures in the brackets represents figures for previous year

24.17 Information in accordance with Guidelines for NBFC-ND-SI as regards capital adequacy, liquidity and disclosure norms vide circular DNBR.PD..008/03.10.119/2016-17 dated 1 September 2016 as updated on 22nd Feb 2019. (Annex XIV)

(a) Capital to Risk Assets Ratio (CRAR)

Sr. No.	Particulars	31-Mar-19	31-Mar-18
1	CRAR (%)	21.95%	25.18%
2	CRAR - Tier I capital (%)	20.70%	23.93%
3	CRAR - Tier II Capital (%)	1.25%	1.25%



(b) Asset Liability Management Maturity pattern of certain items of assets and liabilities

(In Rupees)

	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	156,000,000	125,000,000	535,000,000	684,000,000	1,023,000,000	2,575,000,000	370,000,000	-	5,468,000,000
Market Borrowings	-	-	-	-	-	8,000,000,000	-	-	8,000,000,000
Assets									
Advances	339,470,905	505,452,747	935,326,344	1,635,927,039	3,131,703,191	8,349,202,211	1,581,582,860	403,253	16,479,068,550
Investments	-	-	-	-	-	-	-	-	-

24.18 Provision for Contingencies:-

(In Rupees)

Particulars	31-Mar-19	31-Mar-18
Breakup of Provision and contingencies shown under the head Expenditure In Profit and loss Account		
Provision for Depreciation on Investment	(-)	(-)
Provision towards NPA	90,888,733	121,545,536
Provision made towards income tax	143,420,859	145,123,000
Other provision and contingencies –		
Leave encashment	9,449,376	5,810,415
Gratuity	9,353,029	3,134,011
Provision for Standard Assets and Contingency provision	58,859,967	49,298,461

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

(a) Concentration of Advances:

Particulars	31-Mar-19
Total Advances to twenty largest borrowers	111,374,191
Percentage of Advances to twenty largest borrowers to Total advances	0.66%

(b) Concentration of Exposures:

Particulars	31-Mar-19
Total Exposure to twenty largest borrowers / customers	111,374,191
Percentage of Advances to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrower/Customers	0.66%

(c) Concentration of NPAs

Particulars	31-Mar-19
Total Exposure to top four NPA accounts	11,652,552

(d) Sector- wise NPAs

Sr No.	Sector	Percentage of NPAs to Total Advances In that Sector
1	Agriculture & allied activities	4.98%
2	MSME	-
3	Corporate Borrowers	-
4	Services	-
5	Unsecured personal Loans	-
6	Auto Loans	-
7	Other personal loans	-



(e) Movement of NPAs

	Particulars	Current Year	Previous Year
(i)	Net NPAs to Net Advances (%)	3.25%	3.40%
(ii)	Movement of NPAs (Gross)		
a)	Opening balance	597,661,910	243,415,430
b)	Additions during the year	591,132,617	491,283,794
c)	Reductions during the year	(356,411,669)	(137,037,314)
d)	Closing balance	832,382,858	597,661,910
(iii)	Movement of Net NPAs		
a)	Opening balance	392,510,802	159,809,858
b)	Additions during the year	395,684,780	336,995,811
c)	Reductions during the year	(251,852,565)	(104,294,867)
d)	Closing balance	536,343,017	392,510,802
(iv)	Movement of provisions for NPAs (excluding provisions on standard Assets)		
a)	Opening balance	205,151,108	83,605,572
b)	Provisions made during the Year	195,447,838	154,287,983
c)	Write-off/ write-back of Excess provision	(104,559,105)	(32,742,447)
d)	Closing balance	296,039,841	205,151,108

24.20 Disclosures of Complaints:

Customer Complaints

a)	No. Of Complaints pending at the beginning of the year	8
b)	No. of complaints received during the year	193
c)	No. of complaints redressed during the year	196
d)	No. of complaints pending at the end of the year	5

24.21 Ratings assigned by credit rating agencies and migration of ratings during the year :

Particulars	Commercial Paper		
	CRISIL A1+	CRISIL A1+	CRISIL A1+
(i) Rating Assigned	CRISIL A1+	CRISIL A1+	CRISIL A1+
(ii) Date of Rating	May 18, 2018	October 05, 2018	December 21, 2018
(iii) Rating Valid up to	60 Calendar days	60 Calendar days	60 Calendar days
(iv) Name of the Rating Agency	CRISIL Ltd	CRISIL Ltd	CRISIL Ltd
(v) Amount	Rs.300 Crore	Rs.600 Crore	Rs.600 Crore

Particulars	Term Loans	NCD	
	CRISILAAA/Stable (Reaffirmed)	CRISIL AAA/Stable (Reaffirmed)	CRISIL AAA/Stable
(i) Rating Assigned	CRISILAAA/Stable (Reaffirmed)	CRISIL AAA/Stable (Reaffirmed)	CRISIL AAA/Stable
(ii) Date of Rating	January 10, 2019	January 10, 2019	February 25, 2019
(iii) Rating Valid up to	180 Days	1 Year	1 Year
(iv) Name of the Rating Agency	CRISIL Ltd	CRISIL Ltd	CRISIL Ltd
(v) Amount	Rs.270 Crore	Rs.500 Crore	Rs.400 Crore

24.22 Exposures :

There are no exposure to capital market and real estate sector during the year ended 31 March 2019 and 31 March 2018.

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

During the year ended 31 March 2019 and 31 March 2018, the Company's credit exposure to single borrowers and group borrowers were within the limits prescribed by the RBI.

24.24 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 2019 and 31 March 2018.

24.25 Registration obtained from other financial sector regulators :

There is no registration obtained from other financial sector regulators during the financial year ended 31 March 2019 and 31 March 2018.

24.26 In accordance with the RBI notification No. DNBS.PD.CC. No. 256/03.10.042/2011-12 dated March 2, 2012, No fraud was detected and reported during the financial year ended 31 March 2019 (31 March 2018 -1.13 lakhs)



- 24.27 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 2018-19. 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.
- 24.28 The figures of the previous year have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosure

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm Reg. No. 116231W/W-100024



Shiraz Vastani
Partner
Membership No. 103334

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



Managing Director
DIN: 07267664



Company Secretary



Director
DIN: 07021106



Finance Controller

Place: Pune
Date: 24 April 2019

Place: Pune
Date: 24 April 2019