

CHAIRMAN'S MESSAGE

Dear Shareholders,

Greetings to you all and hoping you and your families are in the best of health and good cheer! As always, it is a pleasure to interact with you who have been pillars of strength to this organization in its journey across businesses over the years, focussing on creating value for all stakeholders.

This is the time of the year where I get an opportunity to update you on the various developments in the Company and give you a view on what the future holds for the Company.

The Environment:

Before getting into the specifics of your Company's plans, it would be useful to understand the environment in which your Company operates, and the influence that global and domestic events and indicators have on the Company's future. The global economy is still struggling to maintain its recovery post-Covid because successive economic shocks have buffeted it. This is accentuated by the uncertainty caused by wars, changes in the political environment in various countries, trade sanctions etc. leading to significant uncertainty in the global arena.

The Indian economy on the other hand has maintained its resilience and has continued to show a growth trajectory. In the financial services sector, which your Company proposes to expand in, the country is speedily metamorphosing from the traditional way of providing offline financial services to a digitally driven financial services business. You would be glad to know that India has established itself as the world's third-largest fintech economy, ranking just behind the USA and the UK. The financial sector is healthy. Its balance sheet is stronger. It is willing to lend and continues to lend. These developments bode well for your Company while it makes plans to enter the financial services sector.

Where we are and the way forward:

As mentioned in my previous year's message, the Company has re-positioned itself to get into and expand in the financial services sector. To give an impetus to this, the Board was re-constituted, the "Objects" clause in the Memorandum of Association was amended to provide for entry into this business and necessary application was made to the Reserve Bank of India (RBI) to get a registration as a "Non-Banking Financial Company" (NBFC). The registration as NBFC is the first step in the journey to pursue financial services business both through organic and inorganic means.

The RBI has considered our application and have raised certain relevant queries which have been clarified to them from time to time. We await further intimation from the RBI. We will keep you posted on the progress.

Post the approval of the registration as a NBFC, your Company will take steps for the Merger by Absorption of Hinduja Leyland Finance Limited into the Company.



Corporate Governance:

Corporate governance for the Company goes well beyond meeting mandatory compliance requirements. Transparency in dealings and good governance have become a culture in the organization. The governance framework encourages integrity, innovation, sustainability and stakeholder delight. The Company has over the decades of operations maintained highest standards of governance and conducted business with integrity and fairness. This philosophy in no small measure has contributed also to the creation of stakeholder value.

Conclusion:

My sincere appreciation for your unstinted support to the Company over the years and hoping that you will continue to support your Company in its endeavours to create value for all stakeholders. I would also like to thank the Directors who have been providing guidance to the Company, the Management which is rigorously pursuing the plans of the Company, Employees and Associates of the company. Also, my gratitude to our Bankers, Auditors, and Advisors for their continuous help and guidance during the year to help maintain the highest standards of corporate governance, which is accorded the top priority at the Hinduja Group.

I conclude by wishing you all good health and happiness.

S. K. Tripathi

Sudhanshu Tripathi
Chairman