

Serial No.: 015

Date: September 25, 2024

**KEY INFORMATION DOCUMENT  
(FOR PRIVATE PLACEMENT)**

by



**HINDUJA LEYLAND FINANCE**

**HINDUJA LEYLAND FINANCE LIMITED**

("Issuer"/"Company")

A public limited company incorporated under the Companies Act, 1956

<b>Corporate Identification Number (CIN):</b> U65993MH2008PLC384221 <b>Permanent Account Number (PAN):</b> AACCH1807P <b>Date of Incorporation:</b> November 12, 2008 <b>Place of Incorporation:</b> Mumbai, India <b>Registration/identification number issued by the relevant regulator:</b> RBI: N-07-00782	<b>Registered Office:</b> Plot No. C-21, Tower C (1-3 Floor), G Block, Bandra Kurla Complex, Bandra East Mumbai-400051, India <b>Corporate Office:</b> 27-A, Developed Plot (South Phase), Industrial Estate, Guindy, Chennai - 600032, India <b>Telephone No.:</b> 91 (044) 39252525 <b>Website:</b> <a href="http://www.hindujaleylfinance.com">http://www.hindujaleylfinance.com</a> <b>Email:</b> <a href="mailto:compliance@hindujaleylfinance.com">compliance@hindujaleylfinance.com</a>
--	--

Key information document for issue of Debentures on a private placement basis under Schedule I of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time in relation to the re-issue of 5,000 (Five thousand) rated, listed, subordinated, unsecured, taxable, redeemable, transferable, non-convertible debentures denominated in Indian Rupees ("INR"), having a face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 50,00,00,000 (Indian Rupees Fifty Crore) ("Debentures" or "NCDs") on a private placement basis (the "Issue") for cash at par on a fully paid-up basis. Certain details of the Debentures are as follows:

- (a) **Rating:** The Debentures are rated as "AA Stable" by CARE Ratings Limited and CRISIL Ratings Limited pursuant to the letters dated August 14, 2024 and August 22, 2024, respectively, and the rating rationale dated April 05, 2024 and March 31, 2024, respectively by CARE Ratings Limited and CRISIL Ratings Limited. Please refer to Annexure II below for the rating letter, press release and rating rationale. No other credit ratings have been obtained for the purposes of this Issue.
- (b) **Listing:** The Debentures are proposed to be listed on the Wholesale Debt Market (WDM) of the BSE Limited within the time period prescribed under the SEBI Listing Timelines Requirements (as defined below).
- (c) **Eligible Investors:** Please refer Section 8.7 below.
- (d) **Coupon related details:** The coupon rate 9.50% (nine decimal five zero percent) per annum, payable annually (fixed). Please refer Section 5.34 below for details about coupon/dividend rate, coupon/dividend payment frequency, redemption date, redemption amount.
- (e) **Underwriting:** Not Applicable.
- (f) **Details of Electronic Book Mechanism:** Please refer Section 8 below.

**ISSUE SCHEDULE**

Issue Opening Date	Issue Closing Date	Date of earliest closing of the issue, if any	Deemed Date of Allotment
September 27, 2024	September 27, 2024	N.A.	September 30, 2024

**KEY OFFICERS OF THE ISSUER**

<b>Compliance Officer</b> Name: Srividya Ramasamy Tel: 91 (044) 39252525 Email: <a href="mailto:srividhya.r@hindujaleylfinance.com">srividhya.r@hindujaleylfinance.com</a>	<b>Company Secretary</b> Name: Srividya Ramasamy Tel: 91 (044) 39252525 Email: <a href="mailto:srividhya.r@hindujaleylfinance.com">srividhya.r@hindujaleylfinance.com</a>	<b>Chief Financial Officer</b> Name: Vikas Jain Tel: 91 (044) 39252525 Email: <a href="mailto:vikas.jain@hindujaleylfinance.com">vikas.jain@hindujaleylfinance.com</a>	<b>Promoters</b> Ashok Leyland Limited Telephone Number: +91 44 2220 6000 Email address: <a href="mailto:secretarial@ashokleyland.com">secretarial@ashokleyland.com</a>
---	--	---	--

**DETAILS OF STAKEHOLDERS**

<b>Debenture Trustee</b>  IDBI Trusteeship Services Ltd	<b>Registrar and Transfer Agent</b>	<b>Credit Rating Agency</b>  Ratings • Advisory • Research • Risk Solutions	<b>Statutory Auditors</b> Walker Chandio & Co LLP
---	-------------------------------------	---	--

<p><b>IDBI Trusteeship Services Limited</b> Address: Universal Insurance Building, Ground Floor, Sir P M Road, Fort, Mumbai – 400 001, India Tel: 022 40807000 Contact Person: Gaurav Mody Email: itsl@idbitrustee.com Website: www.idbitrustee.com</p>	<p><b>LINKIntime</b> <b>Link Intime India Pvt Ltd.</b> Address: C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083 Tel: 022 – 49186 6000 Fax no.: 022 – 49186 6060 Contact Person: Ganesh Jadhav Email: mumbai@linkintime.co.in Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a></p>	<p><b>CARE Ratings Limited</b> Address: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022 Tel: 044 2850 1031 Contact Person: Ravi Shankar R Email: care@careedge.in Website: <a href="http://www.careedge.in">www.careedge.in</a></p> <p><b>CRISIL</b> An S&amp;P Global Company <b>CRISIL Ratings Limited</b> Address: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400076 Tel: 022 3342 3000 Contact Person: Krishnan Sitaraman Email: crisilratingdesk@crisil.com Website: <a href="https://www.crisil.com/">https://www.crisil.com/</a></p>	<p><b>M/s Walker Chandiok &amp; Co LLP</b> Chartered Accountants Firm Registration No. 001076N/N500013 Address: 11th Floor, Tower 11, One International Center, B Marg Prabhadevi (W) Mumbai - 400013 Tel:  Website: <a href="http://www.walkerchandiok.in">www.walkerchandiok.in</a> Peer review Certificate No.: <b>014158</b></p> <p><b>R.SUBRAMANIAN AND COMPANY LLP</b> CHARTERED ACCOUNTANTS <b>R. SUBRAMANIAN AND COMPANY LLP</b> Chartered Accountant Firm Registration No. 004137S/S200041 Address: Door No: 6 (old No 36), Krishnaswamy Avenue, Chennai -600004 Tel:  Contact Person:  Website : <a href="https://rscompany.co.in/">https://rscompany.co.in/</a> Peer review Certificate No.:</p>
---	---	---	---

### Background

This Key Information Document (as defined below) is related to the Debentures to be issued by Hinduja Leyland Finance Limited (the "Issuer" or "Company") on a private placement basis and contains information and disclosures supplemental to those set out in the General Information Document (as defined below), as are required for the purpose of issuing of the Debentures. The issue of the Debentures described under this Key Information Document has been authorised by the Issuer through the special resolutions dated June 25, 2024 of the shareholders of the Issuer pursuant to Section 42 and 71 and approval for borrowing has been authorised by the issuer through special resolution, dated May 17, 2024 pursuant to Sections 180(1)(c) and approval for creation of charge/ mortgage on the assets of the company with respect to Non-Convertible Debentures has been authorised by the issuer through special resolution dated 25th June, 2024 pursuant to section 180(1)(a) of the Companies Act, 2013 and the resolutions dated April 24, 2024 (with respect to overall borrowing limits of the company) and May 15, 2024 (With respect to issuance of Non-convertible Debentures) of the board of directors of the Issuer, and the memorandum of association and articles of association of the Issuer.

Pursuant to the special resolution dated June 25, 2024 of the shareholders of the Issuer, the Issuer has been authorised to raise funds upon such terms and conditions as the Board may think fit for aggregate amounts not exceeding INR 8000 Crores (Indian Rupees Eight Thousand Crores). The present issue of Debentures in terms of this Key Information Document is within the overall powers of the Board as per the above shareholder resolution(s).

### Issuer's Absolute Responsibility

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Key Information Document contains all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in this Key Information Document is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this Key Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading.

### Issue Schedule

Issue Opening Date	September 27, 2024
Issue Closing Date	September 27, 2024
Pay In Date	N.A.
Deemed Date of Allotment	September 30, 2024

### DISCLAIMERS

- This Key Information Document contains no unsubstantiated forward-looking statements. To the extent there are any unsubstantiated forward-looking statements under this Key Information Document, such statements shall be considered to be null and void.
- This issue document does not include any statement purporting to be made by an expert other than if the expert is a person who is not, and has not been, engaged or interested in the formation or promotion or management, of the Issuer and has given their written consent to this issue of this Key Information Document and has not withdrawn such consent before the delivery of a copy of this Key Information Document to the Registrar (as applicable) for registration.
- Various disclosures set out in this Key Information Document have been linked to the disclosures set out in the General Information Memorandum. There are no changes to the disclosures which have been linked to the disclosures set out in the General Information Document, and in the case of any conflict/difference between the provisions of the General Information Document and this Key Information Document, the provisions of this Key Information Document shall be applicable to this issuance of Debentures.
- This Issue does not form part of non-equity regulatory capital for the purposes of Chapter V of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and Chapter XIII (*Issuance, Listing and Trading Non-Equity Regulatory Capital*) of the master circular issued by SEBI bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*". The face value of each debt security issued on private placement basis under this Issue is INR 1,00,000 (Indian Rupees One Lakh).

## TABLE OF CONTENTS

<b>SECTION 1:</b>	<b>DEFINITIONS AND ABBREVIATIONS</b>	<b>5</b>
<b>SECTION 2:</b>	<b>NOTICE TO INVESTORS AND DISCLAIMERS</b>	<b>15</b>
<b>SECTION 3:</b>	<b>RISK FACTORS</b>	<b>19</b>
<b>SECTION 4:</b>	<b>FINANCIAL STATEMENTS</b>	<b>25</b>
<b>SECTION 5:</b>	<b>REGULATORY DISCLOSURES</b>	<b>26</b>
<b>SECTION 6:</b>	<b>DISCLOSURES PERTAINING TO WILFUL DEFAULT</b>	<b>79</b>
<b>SECTION 7:</b>	<b>KEY TERMS OF THE ISSUE</b>	<b>80</b>
<b>SECTION 8:</b>	<b>OTHER INFORMATION AND APPLICATION PROCESS</b>	<b>101</b>
<b>SECTION 9:</b>	<b>UNDERTAKINGS</b>	<b>111</b>
<b>SECTION 10:</b>	<b>SPECIFIC DISCLOSURES REQUIRED FROM NBFCs</b>	<b>113</b>
<b>SECTION 11:</b>	<b>DECLARATION BY THE DIRECTORS</b>	<b>121</b>
<b>ANNEXURE I:</b>	<b>LIMITED REVIEW FINANCIAL STATEMENTS</b>	<b>122</b>
<b>ANNEXURE II:</b>	<b>RATING LETTER</b>	<b>123</b>
<b>ANNEXURE III:</b>	<b>CONSENT LETTER FROM THE DEBENTURE TRUSTEE AND REGISTRAR</b>	<b>124</b>
<b>ANNEXURE IV:</b>	<b>APPLICATION FORM</b>	<b>126</b>
<b>ANNEXURE V:</b>	<b>ILLUSTRATION OF BOND CASH FLOWS</b>	<b>130</b>
<b>ANNEXURE VI:</b>	<b>DUE DILIGENCE CERTIFICATES</b>	<b>131</b>
<b>ANNEXURE VII:</b>	<b>DISCLOSURES PURSUANT TO THE SEBI DEBENTURE TRUSTEES MASTER CIRCULAR</b>	<b>132</b>
<b>ANNEXURE VIII:</b>	<b>BOARD RESOLUTION AND COMMITTEE RESOLUTION</b>	<b>135</b>
<b>ANNEXURE IX:</b>	<b>SHAREHOLDERS' RESOLUTIONS</b>	<b>136</b>
<b>ANNEXURE X:</b>	<b>SHAREHOLDING PATTERN</b>	<b>137</b>
<b>ANNEXURE XI:</b>	<b>FORM NO. PAS-4 - PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER</b>	<b>138</b>
<b>ANNEXURE XII:</b>	<b>RELATED PARTY TRANSACTION</b>	<b>139</b>
<b>ANNEXURE XIII:</b>	<b>ALM STATEMENT</b>	<b>140</b>
<b>ANNEXURE XIV:</b>	<b>IN-PRINCIPAL APPROVAL LETTER</b>	<b>141</b>

## SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Key Information Document.

S. NO.	TERM	DEFINITION
1.	Act/Companies Act	means the Companies Act, 2013, and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time.
2.	Allot/Allotment/Allotted	means the allotment of the Debentures pursuant to this Issue.
3.	Applicable Accounting Standards	means the generally accepted accounting principles as prescribed by the Institute of Chartered Accountants of India from time to time and consistently applied by the Issuer, and includes Indian Accounting Standards (IND-AS).
4.	Applicable Law	means all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof.
5.	Applicant	means a person who has submitted a completed Application Form to the Issuer, and "Applicants" shall be construed accordingly.
6.	Application Form	means the application form to apply for subscription to the Debentures, which is in the form annexed to this Key Information Document and marked as <b>Annexure IV</b> .
7.	Application Money	means the subscription amounts paid by the Applicant at the time of submitting the Application Form.
8.	Assets	means, for any date of determination, the assets of the Issuer on such date as the same would be determined in accordance with the Applicable Accounting Standards.
9.	Beneficial Owners	means the holders of the Debentures in dematerialised form whose names are recorded as such with the Depository(ies) in the Register of Beneficial Owners, and "Beneficial Owner" shall be construed accordingly.
10.	Board / Board of Directors	means the board of directors of the Issuer.
11.	BSE	means BSE Limited.
12.	Business Day	means:  (a) subject to (b) and (c) below, means any day on which commercial banks in Mumbai, India and Chennai, India are open for business;  (b) for the period commencing on the "Issue Opening Date" set out in the Key Information Document until the "Issue Closing Date" set out in the Key Information Document, any day (other than a Saturday, Sunday or a public holiday under Section 25 of the Negotiable Instruments Act, 1881), on which commercial banks in Mumbai, India and Chennai, India are open for business; and

S. NO.	TERM	DEFINITION
		(c) for the period commencing on the "Issue Closing Date" set out in the Key Information Document until the listing of the Debentures in accordance with the DTD, any trading day of BSE, other than a Saturday, Sunday or a bank holiday, as specified by SEBI,  and "Business Days" shall be construed accordingly.
13.	Capital Adequacy Ratio	means the capital adequacy ratio determined in accordance with the circulars/directions prescribed by the RBI (including the NBFC Directions).
14.	CDSL	means Central Depository Services (India) Limited.
15.	Client Loan	means each loan disbursed by the Issuer as a lender, and "Client Loans" shall be construed accordingly.
16.	Company/Issuer	means Hinduja Leyland Finance Limited, a company within the meaning of Companies Act, 1956 with Corporate Identification Number ("CIN") U65993MH2008PLC384221 and registered as a non-banking financial company with the Reserve Bank of India, and having its registered office at Plot No. C-21, Tower C (1-3 Floors), G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051, Maharashtra, India.
17.	Conditions Precedent	means the conditions precedent set out in Section 5.34 ( <i>Summary Terms</i> ) of this Key Information Document.
18.	Conditions Subsequent	means the conditions subsequent set out in Section 5.34 ( <i>Summary Terms</i> ) of this Key Information Document.
19.	Constitutional Documents	means the certificate of incorporation of the Issuer, the memorandum of association and articles of association of the Issuer and the certificate of registration issued by the RBI to the Issuer.
20.	Debentures/NCDs	means re-issue of 5,000 (Five thousand) rated, listed, subordinated, unsecured, taxable, redeemable, transferable, non-convertible debentures denominated in Indian Rupees ("INR"), having a face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 50,00,00,000 (Indian Rupees Fifty Crore) ("Debentures" or "NCDs").
21.	Debenture Holders / Investors	shall initially mean, the persons who have subscribed the Debentures and thereafter shall mean and include any Person to whom the Debentures are transferred to, each who fulfils the following requirements:  (a) registered as a Beneficial Owner; and  (b) registered as a debenture holder in the Register of Debenture Holders.  Sub-paragraphs (a) and (b) shall be deemed to include transferees of the Debentures registered with the Issuer and the Depository(ies) from time to time, and in the event of any inconsistency between (a) and (b) above, (a) shall prevail,  and "Debenture Holder" or "Investor" shall be construed accordingly.

S. NO.	TERM	DEFINITION
22.	Debenture Trustee	means IDBI Trusteeship Services Limited.
23.	Debenture Trustee Agreement	means the debenture trustee agreement executed / to be executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
24.	Debenture Trust Deed/DTD	means the debenture trust deed executed / to be executed by and between the Debenture Trustee and the Issuer <i>inter alia</i> setting out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer.
25.	Debenture Trustees Regulations/ SEBI Debenture Trustees Regulations	means the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended, modified, supplemented or restated from time to time.
26.	Debt Disclosure Documents	means, collectively, the General Information Document and the Key Information Document, and "Debt Disclosure Document" shall be construed accordingly.
27.	Debt Listing Regulations/ SEBI Debt Listing Regulations	means the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with the SEBI's circular bearing the reference number SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/027 dated February 8, 2023 on " <i>Clarification w.r.t. issuance and listing of perpetual debt instruments, perpetual non-cumulative preference shares and similar instruments under Chapter V of the SEBI (Issue and Listing of Non-convertible Securities) Regulations, 2021</i> ", each as amended, modified, supplemented or restated from time to time.
28.	Deemed Date of Allotment	means September 30, 2024.
29.	Demat	means dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
30.	Depositories Act	means the Depositories Act, 1996, as amended from time to time.
31.	Depositories	means the depositories with which the Issuer has made arrangements for dematerialising the Debentures, being NSDL and CDSL, and "Depository" means any one of them.
32.	Depository Participant / DP	means a depository participant as defined under the Depositories Act.
33.	Director(s)	means the director(s) of the Issuer.
34.	DP ID	means Depository Participant Identification Number.
35.	DRR	means the Debenture Redemption Reserve.
36.	Due Dates	means, collectively, each Interest Payment Date, the Final Redemption Date, and all other dates on which any interest, additional interest, or liquidated damages and/or any other amounts, are due and payable, and "Due Date" shall be construed accordingly.

S. NO.	TERM	DEFINITION
37.	EBP Platform	has the meaning given to it under the EBP Requirements.
38.	Electronic Book Provider / EBP	has the meaning given to it under the EBP Requirements.
39.	Effective Date	means the date of execution of the DTD.
40.	EFT	means Electronic Fund Transfer
41.	Eligible Investors	has the meaning given to it in Section 8.7.
42.	Equity	means, in respect of the Issuer, the aggregate of the issued and paid-up equity shares of the Issuer, all compulsorily convertible instruments and preference share capital of the Issuer, and all reserves (excluding revaluation reserves) of the Issuer, as per the latest audited financials of the Issuer.
43.	Events of Default	means the events of default set out in Section 7.6.2 ( <i>Events of Default</i> ) of this Key Information Document, and "Event of Default" shall be construed accordingly.
44.	Final Redemption Date	means November 29, 2029 (being the date occurring on the expiry of 5 (Five) Years 1 (One) months 29 (Twenty-Nine) Days from the Date of Allotment for this NCD issuance) or such other earlier date, subject to Applicable Law and the prior approval of the RBI (if so required), on which the Debentures are required to be redeemed pursuant to the Transaction Documents.
45.	Final Settlement Date	means the date on which all Obligations have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Debenture Holders.
46.	Financial Indebtedness	means any indebtedness for or in respect of: <ul style="list-style-type: none"> <li>(a) moneys borrowed;</li> <li>(b) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent;</li> <li>(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, loan stock or any similar instrument;</li> <li>(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Applicable Accounting Standards, be treated as a finance or capital lease;</li> <li>(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);</li> <li>(f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;</li> </ul>

S. NO.	TERM	DEFINITION
		<p>(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);</p> <p>(h) shares which are expressed to be redeemable or shares which are the subject of a put option or any form of guarantee;</p> <p>(i) any obligation under any put option in respect of any securities;</p> <p>(j) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;</p> <p>(k) any corporate/personal guarantee, a letter of comfort or any other similar contractual comfort issued or incurred in respect of a liability incurred by any other third person; and</p> <p>(l) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (k) above.</p>
47.	Financial Year/ FY	means each period of 12 (twelve) months commencing on April 1 of any calendar year and ending on March 31 of the subsequent calendar year.
48.	General Information Document/GID	means the general information document dated May 14, 2024 issued by the Issuer for subscription to non-convertible securities to be issued by the Issuer (including the Debentures) on a private placement basis in accordance with the Debt Listing Regulations.
49.	Governmental Authority	means any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, agency or authority including any stock exchange or any self-regulatory organization, established under any Applicable Law, and "Governmental Authorities" shall be construed accordingly.
50.	Green Shoe Option	has the meaning given to it under Section 5.34 (Summary Terms).
51.	IBC	means the (Indian) Insolvency and Bankruptcy Code, 2016 and the rules and regulations framed thereunder, as may be amended, modified and supplemented from time to time.
52.	ICCL	means the Indian Clearing Corporation Limited.
53.	INR/Rs.	means Indian Rupees.
54.	Interest Payment Dates	means the dates on which interest is payable on the Debentures, and "Interest Payment Date" shall be construed accordingly. The interest payment dates are set out in <b>Annexure V</b> below.
55.	Interest Rate	means 9.50% (nine decimal five zero percent) per annum payable annually (fixed).

S. NO.	TERM	DEFINITION
56.	ISIN	means the International Security Identification Number.
57.	Issue	means this issue of the Debentures.
58.	Issue Closing Date	means September 27, 2024.
59.	Issue Opening Date	means September 27, 2024.
60.	Key Information Document/KID	means this document which sets out the terms and conditions for the issue and offer of the Debentures by the Issuer on a private placement basis and contains the relevant information in this respect.
61.	Listed NCDs Master Circular	means the master circular issued by SEBI bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 on " <i>Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper</i> ", as amended, modified, supplemented or restated from time to time
62.	Listing Period	has the meaning given to it in Section 5.34 ( <i>Summary Terms</i> ).
63.	LODR Regulations/SEBI LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, modified, supplemented or restated from time to time.
64.	Majority Debenture Holders	means the Debenture Holders holding an aggregate amount representing more than 50% (fifty percent) of the value of the Outstanding Principal Amounts of the Debentures.
65.	Majority Resolution	means a resolution approved by the Majority Debenture Holders.
66.	Material Adverse Effect	means the effect or consequence of an event, circumstance, occurrence or condition which has caused or could reasonably be expected to cause, as of any date of determination, a material and adverse effect: <ul style="list-style-type: none"> <li>(a) on the rights or remedies of the Debenture Trustee acting for the benefit of the Debenture Holders hereunder or under any other Transaction Document;</li> <li>(b) on the ability of the Issuer to perform its obligations under the Transaction Documents; or</li> <li>(c) the legality, validity or enforceability of any of the Transaction Documents (including the ability of any party to the DTD or the Debenture Holders to enforce their respective rights or remedies under any of the Transaction Documents).</li> </ul>
67.	N.A.	Not Applicable
68.	NBFC	means non-banking financial company.
69.	NBFC Directions	means the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 dated October 19, 2023, read together with the RBI's circular no. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on " <i>Implementation of Indian Accounting Standards</i> " and the RBI's circular no.

S. NO.	TERM	DEFINITION
		DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021 on "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications", each as amended, modified, supplemented or restated from time to time.
70.	Net NPA	means the PAR>90 of the Issuer less the provisioning (determined in accordance with the Applicable Accounting Standards and the NBFC Directions) in respect of the Client Loans that are classified as PAR>90.
71.	NSDL	means National Securities Depository Limited.
72.	Obligations	means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) at any time due, owing or incurred by the Issuer to the Debenture Trustee and the Debenture Holders in respect of the Debentures including without limitation, the obligation to redeem the Debentures in terms thereof together with interest, default interest/additional interest, if any, accrued thereon, any outstanding remuneration of the Debenture Trustee and all fees, costs, charges and expenses payable to the Debenture Trustee and other amounts payable by the Issuer in respect of the Debentures.
73.	Outstanding Amounts	means, at any date, the Outstanding Principal Amounts together with any interest, additional interest, costs, fees, charges, and other amounts payable by the Issuer in respect of the Debentures.
74.	Outstanding Principal Amount	means, at any date, the principal amounts outstanding under the Debentures.
75.	PAR>90	means, as on the date of determination, on the Issuer's entire assets under management at any point of time, the outstanding principal value of all Client Loans provided by the Issuer, that have one or more instalments of principal, interest, penalty interest, fee or any other expected payments overdue for 90 (ninety) days or more, and includes Client Loans that are restructured, but excludes Client Loans that have been written off by the Issuer.
76.	PAN	means Permanent Account Number
77.	Payment Default	means any event, act or condition which, with notice or lapse of time, or both, would constitute an Event of Default under Section 7.6.2(a) ( <i>Payment Defaults</i> ).
78.	Permitted Merger	means the merger of the Issuer (i.e., Hinduja Leyland Finance Limited) with NDL Ventures Limited (previously known as NXTDIGITAL Limited), the scheme of merger in respect of which has been approved by the board of directors of the Issuer on November 25, 2022, and which is subject to the receipt of approvals from the RBI, SEBI, the National Company Law Tribunal, BSE, the National Stock Exchange of India Limited and other statutory and regulatory authorities, the respective shareholders and creditors, and the completion of such filings, registrations and other formalities that are prescribed under Applicable Law.
79.	Promoters	has the meaning given to it in the SEBI Debt Listing Regulations.

S. NO.	TERM	DEFINITION
80.	Promoter Group	has the meaning given to it in the SEBI Debt Listing Regulations.
81.	Purposes	has the meaning given to it in Section 5.34 ( <i>Summary Terms</i> ).
82.	Quarterly Date	means each of March 31, June 30, September 30 and December 31 of a calendar year, and "Quarterly Dates" shall be construed accordingly.
83.	RBI	means the Reserve Bank of India.
84.	Rating	means the credit rating for the Debentures being, "AA Stable" affirmed/assigned by CARE Ratings Limited and CRISIL Ratings Limited through their letters dated August 14, 2024 and August 22, 2024, respectively.
85.	Rating Agencies	means collectively, CARE Ratings Limited and CRISIL Ratings Limited.
86.	Record Date	means the date that falling 15 (fifteen) calendar days prior to any Due Date on which any payments are to be made to the Debenture Holder(s), provided such date is a Business Day. In case such date is not Business Day then succeeding date will be considered as the "Record Date" for determination of the persons entitled to receive redemption of principal, coupon, and other payments, if any, as the case may be, in respect of the Debentures shall be made.
87.	Recovery Expense Fund/REF	means the recovery expense fund established/to be established and maintained by the Issuer in accordance with the provisions of Chapter IV ( <i>Recovery Expenses Fund</i> ) of the SEBI Debenture Trustees Master Circular.
88.	Register of Beneficial Owners	means the register of beneficial owners of the Debentures maintained in the records of the Depositories.
89.	Register of Debenture Holders	means the register of debenture holders maintained by the Issuer in accordance with Section 88 of the Companies Act.
90.	R&T Agent/Registrar	means the registrar and transfer agent appointed for the issue of Debentures, being Link Intime India Private Limited.
91.	ROC	means the jurisdictional registrar of companies.
92.	RTGS	means Real Time Gross Settlement.
93.	SEBI	means the Securities and Exchange Board of India.
94.	SEBI Debenture Trustees Master Circular	means the master circular issued by the SEBI bearing reference number SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024 on " <i>Master Circular for Debenture Trustees</i> ", as amended, modified, supplemented, or restated from time to time.
95.	SEBI EBP Requirements/EBP Requirements	means the requirements with respect to electronic book mechanism prescribed in Chapter VI ( <i>Electronic Book Provider platform</i> ) of the Listed NCDs Master Circular, and the operational guidelines issued by the relevant electronic book provider, as amended, modified, supplemented, or restated from time to time.

S. NO.	TERM	DEFINITION
96.	SEBI Listed Debentures Circulars	means, collectively, the Listed NCDs Master Circular, the SEBI Debenture Trustees Master Circular, the SEBI Debt Listing Regulations, the SEBI LODR Master Circular and the LODR Regulations (to the extent applicable).
97.	SEBI Listing Timelines Requirements	means the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII ( <i>Standardization of timelines for listing of securities issued on a private placement basis</i> ) of the Listed NCDs Master Circular, read with, to the extent applicable, the SEBI EBP Requirements.
98.	SEBI LODR Master Circular	means the master circular issued by SEBI bearing reference number SEBI/HO/CFD/PoD2/CIR/P/2024/48 dated May 21, 2024 on "Master circular for listing obligations and disclosure requirements for Non-convertible Securities, Securitised Debt Instrument and/or Commercial Paper", as amended, modified, supplemented, or restated from time to time.
99.	Stressed Assets Framework	means the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on " <i>Prudential Framework for Resolution of Stressed Assets</i> ", as amended, modified, supplemented or restated from time to time.
100.	Special Majority Debenture Holders	means such number of Debenture Holders collectively holding more than 75% (seventy five percent) of the value of the Outstanding Principal Amounts of the Debentures.
101.	Special Resolution	means resolution approved by the Special Majority Debenture Holders.
102.	Tax	means any present or future tax, levy, duty, charge, fees, deductions, withholdings, surcharges, cess, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter imposed under Applicable Law or by any Governmental Authority.
103.	Tax Deduction	means a deduction or withholding for or on account of Tax from a payment under a Transaction Document pursuant to Applicable Law.
104.	Tier 1 Capital	shall have the meaning given to it in NBFC Directions.
105.	Tier 2 Capital	shall have the meaning given to it in NBFC Directions.
106.	Transaction Documents	means: <ul style="list-style-type: none"> <li>(a) the DTD;</li> <li>(b) the Debenture Trustee Agreement;</li> <li>(c) the Debt Disclosure Documents;</li> <li>(d) the letters issued by the, and each memorandum of understanding/agreement entered into with, the Rating Agency, the Debenture Trustee and/or the Registrar;</li> <li>(e) each tripartite agreement between the Issuer, the Registrar and the relevant Depository; and</li> </ul>

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

S. NO.	TERM	DEFINITION
		(f) the resolutions and corporate authorisations provided pursuant to the sub-section named " <i>Conditions Precedent</i> " under Section 5.34;  (g) any other document that may be designated as a Transaction Document by the Debenture Trustee or the Debenture Holders,  and "Transaction Document" means any of them.
107.	WDM	means the Wholesale Debt Market segment of the BSE
108.	Wilful Defaulter	means an Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such.

## **SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS**

### **2.1 ISSUER'S DISCLAIMER**

This Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act. This Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures is not an offer or invitation under Section 42 of the Companies Act. An offer will be made to identified Eligible Investors acceptable to the Issuer pursuant to a serially numbered and specifically addressed PPOA.

The issue of the Debentures to be listed on the WDM segment of the BSE is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Debentures to the public in general.

As per the applicable provisions, it is not necessary for a copy of this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures to be filed or submitted to the SEBI for its review and/or approval. This any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures has been prepared in conformity with the SEBI Debt Listing Regulations as amended from time to time and applicable RBI regulations governing private placements of debentures by NBFCs. This and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures has been prepared solely to provide general information about the Issuer to Eligible Investors to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures does not purport to contain all the information that any Eligible Investor may require. Further, this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

Neither this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures should not consider such receipt as a recommendation to subscribe to any Debentures. Each potential Investor contemplating subscription to any series of Debentures issued pursuant to this Key Information Document for the relevant issuance of Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in any series of Debentures issued pursuant to this Key Information Document for the relevant issuance of Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such potential Investor's particular circumstances.

The Issuer confirms that, as of the date hereof, this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures (including the documents incorporated by reference herein, if any) contains all the information that is material in the context of the Issue and regulatory requirements in relation to the Issue and is accurate in all such material respects. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures or in any material made available by the Issuer to any potential Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having being authorized by the Issuer. The Issuer certifies that the disclosures made in this Key Information Document or PPOA issued in respect of any for the relevant issuance of

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

Debentures are adequate and in conformity with the SEBI Debt Listing Regulations and the Companies (Prospectus and Allotment of Securities) Rules, 2014. Further, the Issuer accepts no responsibility for statements made otherwise than in the Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures would be doing so at its own risk.

**This and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures and the respective contents hereof respectively, are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Debentures. All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures are intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.**

No invitation is being made to any persons other than those to whom Application Forms along with this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures being issued have been sent. Any application by a person to whom the Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures have not been sent by the Issuer shall be rejected without assigning any reason.

The person who is in receipt of this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Issuer. The recipient agrees to keep confidential all information provided (or made available hereafter), including, without limitation, the existence and terms of the Issue, any specific pricing information related to the Issue or the amount or terms of any fees payable to us or other parties in connection with the Issue. This Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures may not be photocopied, reproduced, or distributed to others at any time without the prior written consent of the Issuer. Upon request, the recipients will promptly return all material received from the Issuer (including this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) without retaining any copies hereof. If any recipient of this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures decide not to participate in the Issue, that recipient must promptly return this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures and all reproductions whether in whole or in part and any other information statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto or received in connection with the Issue to the Issuer.

The Issuer does not undertake to update the Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures to reflect subsequent events after the date of Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures nor any sale of Debentures made hereafter shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures do not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

offering of the Debentures or the distribution of this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures in any jurisdiction where such action is required. Persons into whose possession this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures come are required to inform themselves of, and to observe, any such restrictions. The Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures is made available to potential Investors in the Issue on the strict understanding that it is confidential.

**THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THE KEY INFORMATION DOCUMENT OR IN THE ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE ISSUER AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.**

## **2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES**

As required, a copy of this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures has been filed with the BSE in terms of the SEBI Debt Listing Regulations. It is to be distinctly understood that submission of this Key Information Document to the BSE should not in any way be deemed or construed to mean that this Key Information Document has been reviewed, cleared, or approved by the BSE; nor does the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Key Information Document, nor does the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the BSE; nor does the BSE take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer.

## **2.3 DISCLAIMER CLAUSE OF RBI**

The company is having a valid certificate of registration issued by the Reserve Bank of India under Section 45 IA of the Reserve Bank of India Act, 1934. However, the RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for repayment of deposits/ discharge of liability by the company.

## **2.4 DISCLAIMER CLAUSE OF SEBI**

As per the provisions of the SEBI Debt Listing Regulations, it is not stipulated that a copy of this Key Information Document has to be filed with or submitted to the SEBI for its review / approval.

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE KEY INFORMATION DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE KEY INFORMATION DOCUMENT. THE LEAD MANAGER(S) (IF ANY) HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE KEY INFORMATION DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

## **2.5 DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is made in India to investors as specified under the paragraph titled "Eligible Investors" of this Key Information Document, who shall be/have been identified upfront by the Issuer. This Key Information Document do not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the exclusive jurisdiction of the courts and tribunals at the location set out in the relevant Key Information Document. This Key Information Document does not constitute an offer

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

## **2.6 DISCLAIMER IN RESPECT OF RATING AGENCIES**

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The relevant Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The relevant Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

## **2.7 ISSUE OF DEBENTURES IN DEMATERIALISED FORM**

Any series of Debentures issued pursuant to this Key Information Document for the relevant issuance of Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of any series of Debentures issued pursuant to this Key Information Document for the relevant issuance of Debentures in dematerialised form. Investors will have to hold any series of Debentures issued pursuant to this Key Information Document for the relevant issuance of Debentures in dematerialised form as per the provisions of Depositories Act. The Issuer shall take necessary steps to credit any series of Debentures issued pursuant to this Key Information Document for the relevant issuance of Debentures allotted to the beneficiary account maintained by the Investor with its depository participant. The Issuer will make the allotment to the investors on the relevant Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

### SECTION 3: RISK FACTORS

Investment in non-convertible securities is risky and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 3 of this Key Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

The following are the risks relating to the Company, any series of Debentures issued pursuant to this Key Information Document for the relevant issuance of Debentures and the market in general envisaged by the management of the Company. Potential Investors should carefully consider all the risk factors stated in this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures. Potential Investors should also read the detailed information set out elsewhere in this Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures and reach their own views prior to making any investment decision.

#### 3. GENERAL RISKS

##### 3.1 RISKS IN RELATION TO THE NON-CONVERTIBLE SECURITIES:

(a) Repayment is subject to the credit risk of the Issuer.

Potential Investors should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer. Potential Investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

(b) The secondary market for non-convertible securities may be illiquid.

The non-convertible securities may be very illiquid, and no secondary market may develop in respect thereof. Even if there is a secondary market for the non-convertible securities, it is not likely to provide significant liquidity. Potential Investors may have to hold the Debentures until redemption to realize any value.

(c) Credit Risk & Rating Downgrade Risk

In the event of deterioration in the financial health of the Issuer, there is a possibility that the relevant Rating Agency may downgrade the rating of the Debentures. In such cases, potential Investors may incur losses on revaluation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms.

(d) Changes in interest rates may affect the price of Debentures.

All securities where a fixed rate of interest is offered, such as this Issue, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the pricing of the Debentures.

(e) Tax Considerations and Legal Considerations:

Special tax considerations and legal considerations may apply to certain types of investors. Potential Investors are urged to consult with their own financial, legal, tax and other advisors to determine any financial, legal, tax and other implications of this investment.

(f) Accounting Considerations:

Special accounting considerations may apply to certain types of taxpayers. Potential Investors are urged to consult with their own accounting advisors to determine implications of this investment.

(g) Material changes in regulations to which the Issuer is subject could impair the Issuer's ability to meet payment or other obligations.

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

**3.2 RISKS IN RELATION TO THE SECURITY CREATED IN RELATION TO THE DEBT SECURITIES. FURTHER, ANY RISKS IN RELATION TO MAINTENANCE OF SECURITY COVER OR FULL RECOVERY OF THE SECURITY IN CASE OF ENFORCEMENT**

In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Debenture Trustee may enforce the security as per the terms of security documents, and other related documents executed in relation to the Debentures. The Debenture Holder(s)' recovery in relation to the Debentures will be subject to (i) the market value of such security (ii) finding willing buyers for the security at a price sufficient to repay the Debenture Holder(s)' amounts outstanding under the Debentures. There is a risk that the value realised from the enforcement of the security may be insufficient to redeem the Debentures.

Further, were any series of Debentures issued pursuant to any Key Information Document for the relevant issuance of Debentures are secured against a charge to the tune of 100% (one hundred percent) of the principal and interest amount in favour of the Debenture Trustee, while it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the possibility of recovery of 100% (one hundred percent) of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

This risk factor will not be applicable in case in respect of any series of Debentures issued pursuant to this Key Information Document for the relevant issuance of Debentures that are issued are either unsecured or subordinated.

**3.3 REFUSAL OF LISTING OF ANY SECURITY OF THE ISSUER DURING PRECEDING THREE FINANCIAL YEARS AND CURRENT FINANCIAL YEAR BY ANY OF THE STOCK EXCHANGES IN INDIA OR ABROAD:**

As of date of this Key Information Document, the Issuer has not been refused in listing of any security during the last 3 (three) Financial Years and the current Financial Year by any of the stock exchanges in India or abroad and therefore, this would not be applicable.

**3.4 LIMITED OR SPORADIC TRADING OF NON-CONVERTIBLE SECURITIES OF THE ISSUER ON STOCK EXCHANGES:**

As of date, we are not aware of any limited or sporadic trading of the non-convertible securities of the Issuer on stock exchanges and therefore, this would not be applicable.

**3.5 IN CASE OF OUTSTANDING DEBT INSTRUMENTS OR DEPOSITS OR BORROWINGS, ANY DEFAULT IN COMPLIANCE WITH THE MATERIAL COVENANTS SUCH AS CREATION OF SECURITY AS PER TERMS AGREED, DEFAULT IN PAYMENT OF INTEREST, DEFAULT IN REDEMPTION OR REPAYMENT, NON-CREATION OF DEBENTURE REDEMPTION RESERVE, DEFAULT IN PAYMENT OF PENAL INTEREST WHEREVER APPLICABLE**

As of date, the Issuer has not defaulted in compliance with any material covenants agreed to by the Issuer and therefore, this would not be applicable.

**DEFAULT IN PAYMENT OF INTEREST:** As on the date of this Key Information Document, the Issuer has not committed any default in payment of interest in respect of any outstanding borrowings.

**DEFAULT IN REDEMPTION OR REPAYMENT:** As on the date of this Key Information Document, the Issuer has not committed any default in redemption or repayment in respect of any outstanding borrowings.

**NON-CREATION OF DEBENTURE REDEMPTION RESERVE:** Pursuant Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, an NBFC is not required to maintain debenture redemption reserve for debentures issued on a private placement basis.

**DEFAULT IN PAYMENT OF PENAL INTEREST WHEREVER APPLICABLE:** As on the date of this Key Information Document, the Issuer has not committed any default in payment of interest penal in respect of any outstanding borrowings.

**OTHERS:** A failure to observe the covenants under the Issuer's financing arrangements or to obtain necessary consents required thereunder may lead to the termination of the Issuer's credit facilities, acceleration of all amounts due under such facilities and the enforcement of any security provided. Any acceleration of amounts due under such facilities may also trigger cross default provisions under the Issuer's other financing agreements. If the obligations under any of the Issuer's financing documents are accelerated, the Issuer may have to dedicate a substantial portion of the Issuer's cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for the Issuer's working capital requirements and other general

corporate purposes. Further, during any period in which the Issuer is in default, the Issuer may be unable to raise, or face difficulties raising, further financing. Any of these circumstances could adversely affect the Issuer's business, credit rating and financial condition, cash flows and results of operations. If the Issuer fails to meet its debt service obligations or covenants provided under the financing agreements, the relevant lenders could declare the Issuer to be in default under the terms of the Issuer's agreements or accelerate the maturity of the Issuer's obligations. The Issuer cannot assure the Investors that, in the event of any such acceleration, the Issuer will have sufficient resources to repay the borrowings.

### 3.6 RISKS RELATED TO THE BUSINESS OF THE ISSUER

(a) **The financial performance of the Company is vulnerable to interest rate volatility**

The profitability of the Company is mainly dependent on the net interest margins. The Company borrows both in floating and fixed interest rates. The Company is exposed to interest rate risks since the disbursements are generally made in fixed interest rates. Volatility in interest rates can materially and adversely affect our financial performance and cash flows. In a rising interest rate environment, if the yield on the interest-earning assets of the Company does not increase simultaneously with or to the same extent as cost of funds, or, in a declining interest rate environment, if the cost of funds does not decline simultaneously or to the same extent as the yield on our interest-earning assets, our net interest income and net interest margin would be adversely impacted.

Interest rates are highly sensitive and fluctuations thereof are dependent upon many factors which are beyond our control, including the monetary policies of the RBI, de-regulation of the financial services sector in India, domestic and international economic and political conditions, inflation and other factors. Rise in inflation, and consequent changes in bank rates, repo rates and reverse repo rates by the RBI has led to an increase in interest rates on loans provided by banks and financial institutions, and market interest rates in India have been volatile in recent periods.

(b) **If the Company is unable to control the level of non-performing loans ("NPAs") in the future, or if the loan loss reserves are insufficient to cover future loan losses, the financial condition of the Issuer and results of operations may be materially and adversely affected.**

Non-performing or low credit quality loans can negatively impact the operations of the Company. As of March, 31 2024, the summary of Assets under Management is as under:

Asset Classification	Loans & advances Outstanding (INR in Crores)	%
Standard Assets – AUM	37,397	96.7
Gross Non-Performing Assets	1,288	3.3
<b>Total</b>	<b>38,685</b>	<b>100.0</b>

We cannot be sure that we will be able to improve our collections and recoveries in relation to our NPAs, or otherwise adequately control our level of NPAs in future. Moreover, as our loan portfolio matures, we may experience greater defaults in principal and/or interest repayments. Thus, if we are not able to control or reduce our level of NPAs, the overall quality of our loan portfolio may deteriorate and our results of operations and/or cash flows

may be adversely affected. Furthermore, our current provisions may not be adequate when compared to the loan portfolios of other financial institutions. Moreover, there also can be no assurance that there will be no further deterioration in our provisioning coverage as a percentage of Gross NPAs or otherwise, or that the percentage of NPAs that we will be able to recover will be similar to our past experience of recoveries of NPAs. In the event of any further deterioration in our NPA portfolio, there could be an even greater, adverse impact on our results of operations and/or cash flows.

- (c) **We may not be able to recover, on a timely basis or at all, the full value of collateral or amounts which are sufficient to cover the outstanding amounts due under defaulted loans.**

As a security interest for the financing facilities provided by us to our customers, the vehicles purchased by our customers are hypothecated in our favour. The value of the vehicle, however, is subject to depreciation, deterioration, and/or reduction in value on account of other extraneous reasons, over the course of time. Consequently, the realizable value of the collateral for the credit facility provided by us, when liquidated, may be lower than the outstanding loan from such customers. Any default in repayment of the outstanding credit obligations by our customers may expose us to losses. Furthermore, in the case of a default, we typically repossess the commercial vehicles financed and sell such vehicles through auctions. The hypothecated vehicles, being movable property, may be difficult to locate or seize in the event of any default by our customers. There can also be no assurance that we will be able to sell such vehicles provided as collateral at prices sufficient to cover the amounts under default. In addition, there may be delays associated with such process.

A failure or delay to recover the expected value from sale of collateral security could expose us to a potential loss. Any such losses could adversely affect our financial condition, results of operations and/or cash flows. Furthermore, enforcing our legal rights by litigating against defaulting customers is generally a slow and potentially expensive process in India. Accordingly, it may be difficult for us to recover amounts owed by defaulting customers in a timely manner or at all. The recovery of monies from defaulting customers may be further compounded by the fact that we do not generally insist on, or receive post-dated cheques as security towards the timely repayment of dues from customers to whom we have provided loans. Further if we are unable to sell any repossessed vehicles provided as security for such loans, at commercially favourable prices, in a timely manner or at all, we may not recover the costs of maintaining such repossessed vehicles and our operations, cash flows and profitability could be adversely affected.

- (d) **A part of our collections are in cash and consequently we face the risk of misappropriation or fraud by our employees.**

A portion of our collections from our customers is in cash. Cash collections expose us to the risk of fraud, misappropriation or unauthorized transactions by our employees responsible for dealing with such cash collections. While we have taken insurance policies and coverage for cash in safes and in transit, and undertake measures to detect and prevent any unauthorized transaction, fraud or misappropriation by our representatives and officers, this may not be sufficient to prevent or deter such activities in all cases, which may adversely affect our operations, profitability and/or cash flows. Further, we may be subject to regulatory or other proceedings in connection with any unauthorized transaction, fraud or misappropriation by our representatives and employees, which could adversely affect our goodwill.

- (e) **Issuer requires certain statutory and regulatory approvals for conducting business and failure to obtain or retain them in a timely manner, or at all, may adversely affect operations.**

The Company is a non-deposit taking Non-Banking Financial Company ("NBFC") registered with the RBI. As such, the Company is regulated by RBI vide its Master Circular named as "Non-Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007". These directions were issued by Reserve bank of India on 22<sup>nd</sup> February 2007 vide notification No. DNBS.193 /DG (VL) - 2007. The provisions of these directions apply to all non-banking financial companies not accepting / holding public deposits. If the Issuer fails to comply, or a regulator claims we have not complied, with any of these conditions, its certificate of registration may be suspended or cancelled and the Issuer shall not be able to carry on such activities.

- (f) **Issuer may be required to increase capital ratio or amount of loan loss reserves, which may result in changes to business and accounting practices that would harm business and results of operations.**

The Issuer is subject to the RBI minimum capital to risk weighted assets ratio regulations. Pursuant to Section 45 -IC of the RBI Act, every NBFC is required to create a reserve fund and transfer thereto a sum not less than 20.0% of its net profit every year, as disclosed in the profit and loss account and before any dividend is declared. The Issuer is also required to maintain a minimum capital adequacy ratio of 15.0% in relation to aggregate risk-weighted assets and risk adjusted assigned loans.

The RBI may also in the future require compliance with other financial ratios and standards. Compliance with such regulatory requirements in the future may require alteration of its business and accounting practices or take other actions that could materially harm its business and operating results.

### **3.7 LEGALITY OF PURCHASE**

Potential Investors in the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of their incorporation or the jurisdiction in which they operate or for compliance by that potential Investor with any law, regulation or regulatory policy applicable to it.

### **3.8 ALL COVENANTS INCLUDING THE ACCELERATED PAYMENT COVENANTS GIVEN BY WAY OF SIDE LETTERS SHALL BE INCORPORATED IN THE ISSUE DOCUMENT BY THE ISSUER**

The Issuer has no side letter with any debt securities holder except the one(s) disclosed in the Key Information Document for the relevant issuance of Debentures

#### **SECTION 4: FINANCIAL STATEMENTS**

The audited financial statements of the Issuer for the year ended March 31, 2024, March 31, 2023, March 31, 2022 and quarterly unaudited result of June 30, 2024 are set out in **Annexure I** of Key Information Document and the same is disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI hereto.

## SECTION 5: REGULATORY DISCLOSURES

This Key Information Document is prepared in accordance with the provisions of SEBI Debt Listing Regulations and in this Section 5, the Issuer has set out the details required as per the SEBI Debt Listing Regulations (including Schedule I thereof).

### 5.1 The Issuer shall file the following documents along with the listing application to the stock exchange and with the Debenture Trustee

The following documents have been / shall be submitted along with the listing application to the BSE and with the Debenture Trustee:

- (a) The relevant Debt Disclosure Documents;
- (b) Memorandum of Association and Articles of Association;
- (c) Copy of the requisite board/ committee resolutions authorizing the borrowing and list of authorised signatories for the allotment of securities;
- (d) Copy of last three years Annual Reports;
- (e) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (f) An undertaking from the issuer stating that the necessary documents for creation of the charge, wherever applicable, including the Trust Deed has been executed within the time frame prescribed in the relevant regulations/Act/rules etc. and the same would be uploaded on the website of the designated stock exchange, where such securities have been proposed to be listed;
- (g) In case of debt securities, an undertaking that permission / consent from the prior creditor for a second or pari passu charge being created, wherever applicable, in favour of the debenture trustee to the proposed issue has been obtained;
- (h) Any other particulars or documents that the recognized stock exchange may call for as it deems fit;
- (i) Due diligence certificate from the Debenture Trustee as per the format specified in the SEBI Debt Listing Regulations; and
- (j) Due diligence certificate from the Debenture Trustee as per the format specified in the SEBI Debenture Trustees Master Circular.

### 5.2 The following documents have been / shall be submitted to BSE at the time of filing the draft of this Key Information Document:


Due diligence certificates (if applicable) from the Debenture Trustee as per the format specified in the SEBI Debenture Trustees Master Circular and in the SEBI Debt Listing Regulations.

### 5.3 Details of Promoters of the Issuer:

- (a) **Name: Ashok Leyland Limited**

S.no	Details of Promoter	Description
1.	Date of Birth/ Date of Incorporation	07/09/1948
2.	Age	Not Applicable
3.	Personal Addresses/Registered Address	No. 1, Sardar Patel Road Guindy, Chennai, Tamil Nadu, India, 600032
4.	Education Qualifications	Not Applicable

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

5.	Experience in the business or employment	Not Applicable
6.	Positions/posts held in the past by the promoter	Not Applicable
7.	Directorships held by the promoter	Not Applicable
8.	Other ventures of the promoter	Not Applicable
9.	Special achievements	Not Applicable
10.	Business and financial activities of the promoter	Manufacturing of motor vehicles and other transport vehicles
11.	Photograph/Logo	
12.	Permanent Accountant Number	AAACA4651L
13.	Other details	Not Applicable

Declaration	
The Issuer confirms that, to the extent applicable, the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the promoters and Permanent Account Number of directors have been submitted to the stock exchanges on which the non-convertible securities are proposed to be listed, at the time of filing this Key Information Document.	

**5.4 Details of credit rating along with the latest press release of the Credit Rating Agency in relation to the issue and declaration that the rating is valid as on the date of issuance and listing. Such press release shall not be older than one year from the date of opening of the issue.**

Each of CARE Ratings Limited and CRISIL Ratings Limited have affirmed/assigned a rating of "AA Stable" through their letters, each dated April 01, 2024 and March 31, 2024, respectively, for the Debentures to be issued in the proposed Issue. The rating letter from the Rating Agency, the rating rationale from the Rating Agency and the detailed press release are provided in Annexure II of this Key Information Document.

The Issuer hereby declares that the rating is and shall be valid as on the date of issuance and listing of any Debentures.

**5.5 Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s). If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock exchange for the issue. The issuer shall specify the stock exchange where the recovery expense fund is being or has been created, as specified by the Board:**

The Debentures are proposed to be listed on the WDM segment of the BSE within the time period prescribed under the SEBI Listing Timelines Requirements. The Debentures are not proposed to be listed on more than one stock exchange.

The Issuer has obtained the in-principle approval for the listing of the debentures in accordance with the General Information Document from BSE, and the same is annexed in Annexure XIV of the Key Information Document.

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis. The Recovery Expense Fund shall be created by the Issuer with BSE in accordance with Chapter IV of the SEBI Debenture Trustees Master Circular.

**5.6 Name, logo, addresses, website URL, email address, telephone number and contact person of specific entities in relation to the Issue:**

**(a) Legal Counsel**

<b>Name</b>	N.A.
<b>Logo</b>	N.A.
<b>Address</b>	N.A.
<b>Website</b>	N.A.
<b>E-mail address</b>	N.A.
<b>Telephone Number</b>	N.A.
<b>Contact Person Details</b>	N.A.

**(b) Merchant Banker and co-managers to the issues**

<b>Name</b>	N.A.
<b>Logo</b>	N.A.
<b>Address</b>	N.A.
<b>Website</b>	N.A.
<b>E-mail address</b>	N.A.
<b>Telephone Number</b>	N.A.
<b>Contact Person Details</b>	N.A.

**(c) Guarantor**

<b>Name</b>	N.A.
<b>Logo</b>	N.A.
<b>Address</b>	N.A.
<b>Website</b>	N.A.
<b>E-mail address</b>	N.A.
<b>Telephone Number</b>	N.A.
<b>Contact Person Details</b>	N.A.

**(d) Arrangers**

<b>Name</b>	A K Capital Services Limited
<b>Logo</b>	
<b>Address</b>	603, 6 <sup>th</sup> Floor, Windsor, Off CST Road, Kalina, Santacruz (East), Mumbai - 400098
<b>Website</b>	<a href="https://www.akgroup.co.in">https://www.akgroup.co.in</a>
<b>E-mail address</b>	<a href="mailto:compliance@akgroup.co.in">compliance@akgroup.co.in</a>
<b>Telephone Number</b>	+91-22-67546500
<b>Contact Person Details</b>	Mr. Tejas Davda

**(e) Debenture Trustee to the Issue**

<b>Name</b>	IDBI Trusteeship Services Limited
-------------	-----------------------------------

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

<b>Logo</b>	 IDBI Trusteeship Services Ltd
<b>Address</b>	Universal Insurance Building, Ground Floor, Sir P M Road, Fort, Mumbai – 400 001
<b>Website</b>	www.idbitrustee.com
<b>E-mail address</b>	itsl@idbitrustee.com
<b>Telephone Number</b>	022 40807000
<b>Contact Person Details</b>	Gaurav Mody

(f) **Credit Rating Agency(ies) for the Issue**


<b>Name</b>	CARE Ratings Limited
<b>Logo</b>	 Ratings • Advisory • Research • Risk Solutions
<b>Address</b>	4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022
<b>Website</b>	www.careedge.in
<b>E-mail address</b>	care@careedge.in
<b>Telephone Number</b>	044 2850 1031
<b>Contact Person Details</b>	Ravi Shankar R

<b>Name</b>	CRISIL Ratings Limited
<b>Logo</b>	 An S&P Global Company
<b>Address</b>	CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400076
<b>Website</b>	www.crisil.com
<b>E-mail address</b>	crisilratingdesk@crisil.com
<b>Telephone Number</b>	022 3342 3000
<b>Contact Person Details</b>	Krishnan Sitaraman

(g) **Registrar the Issue**


<b>Name</b>	Link Intime India Private Limited
<b>Logo</b>	
<b>Address</b>	C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083
<b>Website</b>	www.linkintime.co.in
<b>E-mail address</b>	mumbai@linkintime.co.in
<b>Telephone Number</b>	022 – 49186 6000
<b>Contact Person Details</b>	Ganesh Jadhav

(h) **Statutory Auditors**

<b>Name</b>	M/s Walker Chandiok & Co LLP
<b>Logo</b>	
<b>Firm Registration No.</b>	001076N/N500013
<b>Peer review certificate no.</b>	014158
<b>Address</b>	11th Floor, Tower 11, One International Center, B Marg Prabhadevi (W) Mumbai - 400013
<b>Website</b>	www.walkerchandiok.in

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

<b>E-mail address</b>	Kubendran.V@WalkerChandiok.IN
<b>Telephone Number</b>	-
<b>Contact Person Details</b>	Kubendran V

<b>Name</b>	R. Subramanian and Company LLP
<b>Logo</b>	
<b>Firm Registration No.</b>	004137S/S200041
<b>Peer review certificate no.</b>	
<b>Address</b>	Door No: 6 (old No 36), Krishnaswamy Avenue, Chennai - 600004
<b>Website</b>	<a href="https://rscompany.co.in/">https://rscompany.co.in/</a>
<b>E-mail address</b>	
<b>Telephone Number</b>	
<b>Contact Person Details</b>	

## 5.7 About the Issuer

The following details pertaining to the issuer:

### (a) Overview and a brief summary of the business activities of the Issuer

#### ***History of the Issuer***

Hinduja Leyland Finance Limited was incorporated on November 12, 2008, as a public limited Company under the Companies Act, 1956, with a certificate of incorporation granted by the RoC. The Company received its certificate of commencement of business from the RoC on March 4, 2009. Pursuant to a certificate issued by the RBI on March 22, 2010, it was permitted to commence operations as a NBFC under section 45 IA of the Reserve Bank of India Act, 1934. Hinduja Leyland Finance Limited was originally classified as a SI-NBFC-ND in the calendar year 2010 and was subsequently granted the status of an NBFC-AFC by the RBI pursuant to a certificate of registration received on May 12, 2014. It is one of India's leading non-banking finance companies operating from 1700+ locations spread across 22 states/union territory pan-India. Through a vast network of branches, it provides customized finance for the widest range of utility vehicles, tractors, cars, two-wheeler, other commercial vehicles and Loan against property (LAP), focusing on the semi-urban and rural sector.

Hinduja Leyland Finance Limited is a conglomerate of "Hinduja Group" which has global presence in Automobiles, Energy & Chemicals, IT/ITES, Banking and Finance, Media/Entertainment and Infrastructure.

#### ***Business of the Issuer***

The Company has put in place a process which is evolved on the principles laid down here in, our enterprise solution seeks to provide a comprehensive understanding of the business process governing the financing of vehicles. Underlying theme or the objective of this application is to enable even a new entrant to the business to understand business risks, his role and the role of other participants in the process. Every activity underscores in its process the role of the maker, checker and reviewer.

In order to minimize the time taken for review by three layers in every process, we have, through technology, achieved reduced / minimum flow of documents physically. In many of the

processes the checkers role is embedded in the validation mode in the system so that there is no physical verification is necessary for ensuring accuracy.

The following process has been embedded in our business process to strengthen our operations by minimizing risks:

- **De-duping**  
This is the exclusivity feature in HLF business activity. The purpose of this feature is to track multiple loans to the same customer across products.
- **Credit Scoring**  
In our business process we have developed credit scoring module that would match with our business needs. We decide customers' loan eligible amount by using this feature. We have configured the questions for credit scoring and the score corresponding to those questions in a way that it can be changed based on our operational requirements.
- **Integrated accounting**  
We have inbuilt accounting module to track all the accounting entries. We have used CGAP standards to build this module. Our accounting module is strongly integrated with both operational and financial modules. This builds transparency and accountability in the business-flow.
- **Reports**  
All the reports are generated real time so that in case of any discrepancy there can be early rectification. We have an internal team who closely monitors the reports on real-time and do necessary follow-ups from the field and this is one of the ways we minimize risk in our business.

## Strengths

The core strengths of our business are:

- *Track record of business growth and consistent financial performance:* We have achieved consistent growth in our business and financial performance.
- *Synergy with ALL and parentage of the Hinduja group:* We derive certain business synergies from ALL. Our relationship with ALL assists us in sourcing customers, expanding our operational network and increasing market penetration.
- *Experienced and proven leadership supported by a senior management team:* We believe that the expertise and industry knowledge of our senior management team has enabled us to accelerate the growth in our business. Our board of directors has experience across a broad range of disciplines.
- *Risk mitigation through a wide range of assets financed and a geographically diversified AUM with a focus on urban and semi-urban markets*
- *Expansive and cost effective operational network:* We have invested in our technology infrastructure and streamlined our operating processes to develop a large, scalable operational network and enhance our relationships with OEMs, dealers and customers. We have developed an ERP system and a web-enabled platform to track our loan portfolio from origination to closure and monitor our operating performance on a real-time basis.

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- *Independent risk management processes for credit analysis and underwriting:* Our underwriting and credit management processes are specific to each asset class we finance. This enables us to develop a diversified asset portfolio across a range of asset classes and geographic regions.

#### Branch details:

As of the date of this Key Information Document, the Company has 376 branches.

#### Subsidiary details:

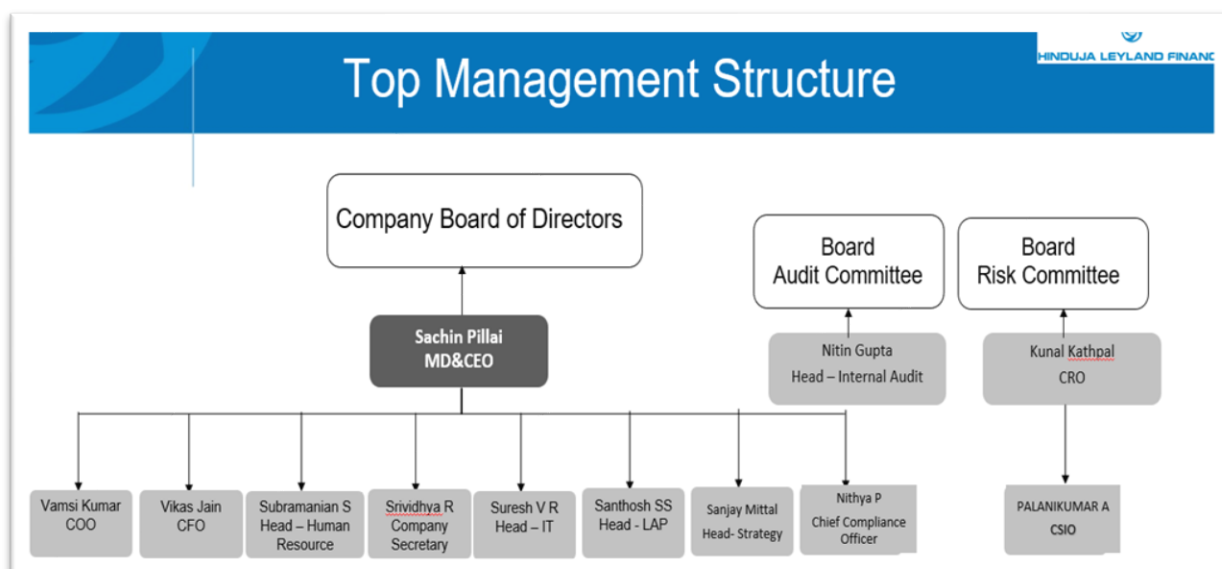
**As of the date of this Key Information Document, the Company has two subsidiaries: Hinduja Housing Finance Limited and Gaadi Mandi Digital Platforms Limited subsidiaries.**

#### (b) Corporate Structure of the Issuer:

The graphic description/organogram of the corporate structure of the Issuer is as follows:

- The operations of the Company are managed by Board of Directors, Managing Director and Chief Executive Officer involved in day-to-day management decisions and policy matters. The Company have also appointed senior managers who are designated as State heads and are responsible for a specific State or region. The Company's senior management work closely with the branches as the hubs and the Business Locations as the spokes in our network model.

The following illustration sets out the organization structure:



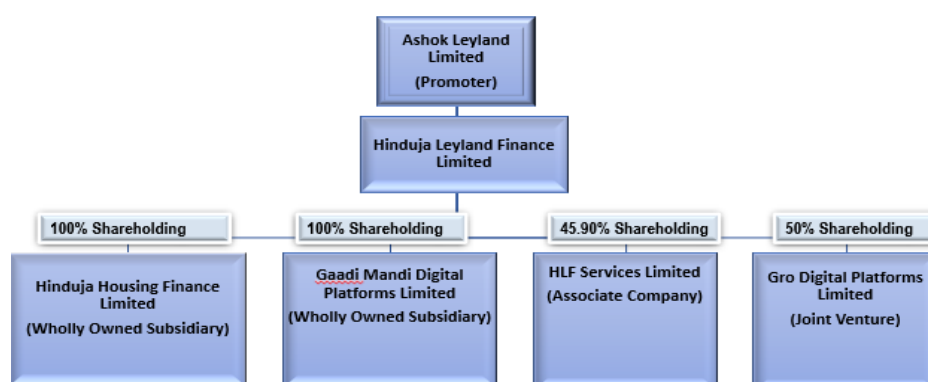
#### b. BRIEF PARTICULARS OF THE MANAGEMENT OF THE COMPANY;

1. Mr. Sachin Pillai, is the Managing Director and Chief Executive Officer of our Company. He holds a bachelor's degree in business administration in marketing from Sardar Patel University and a master's degree in business administration

from Chakravarti Rajagopalachari Institute of Management. He has several years of experience in the field of financial services. He is responsible for establishing and implementing systems to execute our Company's strategic plan on various issues, including issues relating to business development, grounds for identifying the avenues for development, market opportunities, and forecasting data to drive decision-making around business development. Prior to joining our Company, he was associated with Reliance Capital Limited as the executive vice president, group business head and with HDFC Bank Limited, where he was the vice president.

2. Mr. Vikas Jain has been appointed as the CFO of Hinduja Leyland Finance. He has been with the company for almost 4 years. Mr. Vikas is Qualified Chartered Accountant and he joined us from Bajaj Finserv, Pune where he was heading Corporate Audit for Bajaj Housing Finance. During his tenure at Bajaj Finserv, he played a key role to set corporate audit processes and manage audits of all business and functions. Prior to Bajaj Finserv, he had a 5 year stint with Price Waterhouse Coopers, Mumbai as part of Assurance advisory group for Financial services.
3. Mr. Vamsi Kumar is the Chief Operating Officer of our Company. He holds a Masters Degree in Business Administration with over 22 years of experience in handling overall strategy – vehicle and supply chain finance, consumer loans, risk and receivables management, process and compliance. Prior to joining HLF he was the Group business head at Reliance Capital. Prior to that he was also associated with HDFC Bank and Bajaj Auto Finance.
4. Ms. Srividhya Ramaswamy is the Company Secretary and Compliance Officer of the Company. She holds a Bachelors' Degree in Commerce from Stella Maris College, Chennai, Associate Member of the Institute of Company Secretaries of India, Bachelors of Law from Sri Venkateswara University with over 15 years of experience as Company Secretary in various organizations. Prior to joining HLF she was Company Secretary & Compliance Officer, Northern Arc Capital Limited, Chennai.

(c) **Structure of the group:**



(d) **A brief summary of the business activities of the subsidiaries of the issuer:**

**Hinduja Housing Finance** has been established with a mission to provide quick and affordable- housing finance to the unserved and the underserved sectors of people throughout the country by establishing a vast operational network. HHF's aim is to

extend lending to India's credit worthy yet financially excluded population, and also simultaneously assist the Indian government to achieve its goal of full financial inclusion. Hinduja Housing Finance Limited offers various retail products such as Home Purchase loans, Construction loans, Composite loans, home extension loans, Home improvement loans and Loan against property. Hinduja Housing Finance strongly believes in Housing for all and is playing a key role in ensuring the implementation of credit linked subsidy scheme (CLSS) of the Govt. of India which will benefit the economically weaker sections and low-income group seeking home loans.

**Gaadimandi Platform** (100% owned by HLF), which is a digital platform for buying and selling of pre-owned vehicles.

(e) **Details of branches or units where the issuer carries on its business activities, if any:**

The Company is one of the leading vehicle finance NBFCs in India (Source: ICRA - Retail NBFC and HFC Credit Report, 2016) with a focus on urban and semi-urban markets. We provide retail finance through a wide range of vehicle financing products. It offers a wide range of products to suit the customer needs at affordable cost.

It has 1700+ locations as on date spread across 22 states / union territories in India.

(f) **Project cost and means of financing, in case of funding of new projects**

Not Applicable.

**5.8 Expenses of the Issue\*: Expenses of the issue along with a break up for each item of expense, including details of the fees payable to separately as under (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size), as applicable:**

S.NO	PARTICULARS	FEE/EXPENSE AMOUNT	% OF TOTAL ISSUE EXPENSES	% OF TOTAL ISSUE SIZE
1.	Lead Manager(s) fees	40,00,000	26.1%	0.80%
2.	Underwriting commission	N. A.	N. A.	N. A.
3.	Brokerage, selling commission and upload fees	N. A.	N. A.	N. A.
4.	Fees payable to the registrars to the issue	15000	0.01%	0.00%
5.	Fees payable to the legal advisors	N. A.	N. A.	N. A.
6.	Advertising and marketing expenses	N. A.	N. A.	N. A.
7.	Fees payable to the regulators including stock exchanges	1,70,000	1.1	0.03%
8.	Expenses incurred on printing and distribution of issue stationary	N. A.	N. A.	N. A.
9.	Any other fees, commission and			

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

	payments under whatever nomenclature			
	One-time upfront fee payable to the Investor(s)	1,09,50,000	71.5%	2.19%
	Other Miscellaneous Fee (including Stamp Duty / Corporate Action Fees etc.)	29,100	0.5%	0.01%
	Debenture Trustee Fees	93,750	0.25%	0.01%

*#The Issue expenses are calculated on the Base Issue Size. The Taxes as applicable on the expenses mentioned above shall be remitted by the Issuer separately. The issue expenses as mentioned herein are subject to change.*

\* As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no specific advertising and marketing expenses are envisaged to be payable in respect of such issue of Debentures.

\*\* As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no specific expenses are envisaged to be incurred on printing and distribution of issue stationary in respect of such issue of Debentures.

## 5.9 Financial Information

- (a) **The audited financial statements (i.e. profit and loss statement, balance sheet and cash flow statement) both on a standalone and consolidated basis for a period of three completed years, which shall not be more than six months old from the date of the issue document or issue opening date, as applicable. Such financial statements shall be should be audited and certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ("ICAI").**

**However, if the issuer, being a listed REIT/listed InvIT, has been in existence for a period of less than three completed years, and historical financial statements of such REIT/InvIT are not available for some portion or the entire portion of the reporting period of three years and the interim period, the combined financial statements shall be disclosed for the periods for which such historical financial statements are not available.**

The audited financial statements of the Issuer for the year ended March 31, 2024, March 31, 2023, March 31, 2022 and quarterly unaudited result of June 30, 2024 are set out in **Annexure I** of Key Information Document and the same is disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI hereto.

- (b) **Listed issuers (whose debt securities or specified securities are listed on recognised stock exchange(s)) in compliance with the listing regulations, may disclose unaudited financial information for the interim period in the format as specified therein with limited review report in the issue document, as filed with the stock exchanges, instead of audited financial statements for the interim period, subject to making necessary disclosures in this regard in issue document including risk factors.**

The audited financial statements of the Issuer for the year ended March 31, 2024, March 31, 2023, March 31, 2022 quarterly unaudited result of June 30, 2024 are set out in **Annexure I** of Key Information Document and the same is disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI hereto.

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- (c) **Issuers other than REITs/ InvITs desirous of issuing debt securities on private placement basis and who are in existence for less than three years may disclose financial statements mentioned at (a) above for such period of existence, subject to the following conditions:**

- (i) **The issue is made on the Electronic Book Platform of the stock exchange, irrespective of the issue size; and**
- (ii) **In case of issue of securities on a private placement basis, the issue is open for subscription only to qualified institutional buyers**

Not applicable as the Issuer has been in existence for more than 3 (three) years.

- (d) **The above financial statements shall be accompanied with the auditor's report along with the requisite schedules, footnotes, summary etc.**

The audited financial statements of the Issuer for the year ended March 31, 2024, March 31, 2023, March 31, 2022 quarterly unaudited result of June 30, 2024 are set out in **Annexure I** of Key Information Document and the same is disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI hereto.

- (e) **Key Operational and Financial Parameters on a consolidated basis and on a standalone basis:**

	Standalone				Consolidated			
PARTICULARS	MAR 31, 2024	MARCH 31, 2023	MARCH 31, 2022	MARCH 31, 2021	MAR 31, 2024	MARCH 31, 2023	MARCH 31, 2022	MARCH 31, 2021
	audited	Audited	Audited	Audited	audited	Audited	Audited	Audited
<b>BALANCE SHEET</b>								
<b>Assets</b>								
Property, Plant and Equipment	343.8	101.5	82.0	85.4	359.6	109.0	83.6	86.7
Financial Assets	34,925.3	26,380.8	20,696.5	21,697.2	44,234.3	32,125.9	24,203.4	24,009.7
Non-financial Assets excluding property, plant and equipment	253.0	178.0	182.8	140.0	283.4	184.5	189.1	143.7
<b>Total Assets</b>	<b>35,522.1</b>	<b>26,660.3</b>	<b>20,961.3</b>	<b>21,922.6</b>	<b>44,877.3</b>	<b>32,419.4</b>	<b>24,476.1</b>	<b>24,240.1</b>
<b>Liabilities</b>								
Financial Liabilities								
- Derivative financial instruments	1.7	-	-	-	1.7	-	-	-
- Trade Payables	-	-	-	-	-	-	-	-
- Other Payables	27.1	30.8	31.3	17.2	30.2	32.6	34.1	19.9
- Debt Securities	179.3	959.2	1,328.2	1,254.3	431.0	959.2	1,328.2	1,254.3
- Borrowings (other than Debt Securities)	27,067.4	18,697.2	13,757.7	14,705.4	34,598.6	23,932.9	17,006.6	16,869.6
- Deposits	-	1.6	1.6	1.6	-	-	-	-
- Subordinated liabilities	1,452.4	1,043.3	1,221.4	1,278.1	1,672.3	1,043.3	1,221.3	1,278.1
- Lease liabilities	50.6	51.9	39.2	27.6	69.7	52.4	39.2	27.6
- Other financial liabilities	675.3	530.1	541.7	586.7	765.7	572.6	557.5	595.9
<b>Non-Financial Liabilities</b>								
- Current tax liabilities (net)	-	-	-	-	-	-	-	-

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- Provisions	1.3	1.8	2.6	3.9	5.8	3.7	3.8	5.4
- Deferred tax liabilities (net)	318.7	205.8	176.0	217.1	461.0	213.5	170.8	214.3
- Other non-financial liabilities	22.3	5.6	10.1	5.6	30.4	10.7	11.7	7.8
Equity (Equity Share Capital and Other Equity)	5,726.0	5,133.2	3,851.5	3,825.2	6,810.7	5,598.5	4,102.9	3,967.2
<b>Non-controlling interest</b>	-	-	-	-				
<b>Total Liabilities and Equity</b>	<b>35,522.0</b>	<b>26,660.3</b>	<b>20,961.3</b>	<b>20,760.6</b>	<b>44,877.3</b>	<b>32,419.4</b>	<b>24,476.1</b>	<b>24,24,008</b>

<b>PROFIT AND LOSS</b>	<b>MAR 31, 2024</b>	<b>MARCH 31, 2023</b>	<b>MARCH 31, 2022</b>	<b>MARCH 31, 2021</b>	<b>MAR 31, 2024</b>	<b>MARCH 31, 2023</b>	<b>MARCH 31, 2022</b>	<b>MARCH 31, 2021</b>
	<b>audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
Revenue from operations	3,434.7	2,750.3	2,644.8	2,752.8	4,572.6	3,452.1	3,080.0	3,012.6
Other Income	18.1	4.9	15.6	22.0	87.3	49.5	26.0	40.7
<b>Total Income</b>	<b>3,452.8</b>	<b>2,755.2</b>	<b>2,660.4</b>	<b>2,774.8</b>	<b>4,659.9</b>	<b>3,501.6</b>	<b>3,106.0</b>	<b>3,053.3</b>
<b>Total Expenses</b>	<b>2,998.2</b>	<b>2,383.0</b>	<b>2,355.7</b>	<b>2,423.3</b>	<b>3,814.4</b>	<b>2,845.0</b>	<b>2,658.0</b>	<b>2,621.1</b>
Profit after tax for the year	340.2	277.0	232.0	270.1	636.4	490.0	341.0	333.4
Other Comprehensive income	250.3	93.0	-208.0	305.2	573.3	94.0	-207.0	305.4
Total Comprehensive Income	590.5	369.5	24.0	575.4	1,209.8	584.0	134.0	638.7
Earnings per equity share (Basic)	6.4	5.5	4.9	5.8	11.9	9.8	7.3	7.1
Earnings per equity share (Diluted)	6.4	5.5	4.9	5.8	11.9	9.8	7.3	7.1

<b>CASH FLOW</b>	<b>MAR 31, 2024</b>	<b>MARCH 31, 2023</b>	<b>MARCH 31, 2022</b>	<b>MARCH 31, 2021</b>	<b>MAR 31, 2024</b>	<b>MARCH 31, 2023</b>	<b>MARCH 31, 2022</b>	<b>MARCH 31, 2021</b>
	<b>audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
Net cash from / used in (-) operating activities	-5,781.6	-4,094.9	982.0	-526.0	-8,364.6	-6,174.0	-190.0	-1,321.0
Net cash from / used in (-) investing activities	-383.6	-999.9	-49.0	121.0	419.1	-830.0	42.0	170.0
Net cash from / used in (-) financing activities	7,881.6	5,253.3	-944.0	385.0	10,647.7	7,240.0	140.0	1,127.0
Net increase / decrease (-) in cash and cash equivalents	1,716.4	797.8	808.4	808.4	1,864.0	811.0	819.0	818.7
Cash and cash equivalents as per Cash Flow Statement as at the end of Half year	2,671.4	956.3	798.0	808.4	2,909.5	1,047.0	811.0	818.7

<b>ADDITIONAL INFORMATION</b>	<b>MAR 31, 2024</b>	<b>MARCH 31, 2023</b>	<b>MARCH 31, 2022</b>	<b>MARCH 31, 2021</b>	<b>MAR 31, 2024</b>	<b>MARCH 31, 2023</b>	<b>MARCH 31, 2022</b>	<b>MARCH 31, 2021</b>
	<b>audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
Net Worth	5,726.0	5,133.0	3,852.0	3,825.0	6,810.7	5,599.0	4,103.0	3,967.0
Cash and cash equivalents	2,671.4	956.0	798.0	808.0	2,909.5	1,047.0	811.0	819.0
Loans	28,699.0	20,699.6	16,307.2	17,403.2	6,810.7	25,935.4	19,556.1	19,567.4
Loans (Principal Amount)	28,699.0	20,699.6	16,307.2	17,403.2	Not Applicable			
Total Debts to Total Assets	77.6	77.6	77.8	79.4	81.1	80.0	79.9	80.7

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

Interest Income	3,452.8	2,755.0	2,645.0	2,753.0	4,659.9	3,452.0	3,080.0	3,013.0
Interest Expense	2,015.8	1,399.0	1,337.0	1,427.0	2,561.6	1,721.0	1,534.0	1,566.0
Impairment on Financial Instruments	511.7	606.0	704.3	736.1	572.9	646.8	747.3	752.9
Bad Debts to Loans (On AUM)	3.7	3.7	4.2	4.0	3.1	3.5	4.2	3.9
% Stage 3 Loans on Loans (Principal Amount)	3.3%	3.7%	4.2%	4.0%	Not Applicable			
% Net Stage 3 Loans on Loans (Principal Amount)	2.1%	2.5%	2.9%	2.0%				
Tier I Capital Adequacy Ratio (%)	14.4	17.1	15.9	15.3				
Tier II Capital Adequacy Ratio (%)	2.9	1.5	2.8	2.7				

The audited financial statements for the Financial Year ended March 31, 2024 and quarterly unaudited result of June 30, 2024 is set out in Annexure I of the Key Information Document and the same is disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI.

- (f) **Details of any other contingent liabilities of the Issuer based on the latest audited financial statements including amount and nature of liability:**

Particulars	As at 31 March 2024*	As at 31 March 2023
Claims against the Company not acknowledged as debts: Value added taxes	139	139
Claims against the Company not acknowledged as debts: Direct taxes	819	819
Bank guarantee	205	205

\*No change any change in FY 2023-24

- (g) **The amount of corporate guarantee or letter of comfort issued by the issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued**

S. NO.	NAME OF COUNTERPARTY	NATURE OF/RELATIONSHIP WITH COUNTERPARTY	WHETHER CORPORATE GUARANTEE OR LETTER OF COMFORT	AMOUNT OF CORPORATE GUARANTEE OR LETTER OF COMFORT (in INR)
Not Applicable				

- 5.10 **A brief history of Issuer since its incorporation giving details of its following activities:**

- (a) **Details of Share Capital as on last quarter end:**

SHARE CAPITAL	AMOUNT (IN INR)
---------------	--------------------

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

<b>Authorised Share Capital</b>	
<b>622,907,700</b> equity shares of INR 10 each	6,229,077,000
<b>TOTAL</b>	<b>6,229,077,000</b>
<b>Issued, Subscribed and Fully Paid- up Share Capital</b>	
53,51,62,490 equity shares of INR 10 each	535,16,24,900
<b>TOTAL</b>	<b>535,16,24,900</b>

- (b) **Changes in its capital structure as on last quarter end, for the preceding three financial years and current financial year:**

DATE OF CHANGE (ANNUAL GENERAL MEETING/ EXTRAORDINARY GENERAL MEETING)	AUTHORISED CAPITAL IN RS.	PARTICULARS
12-Nov-08	3.00	Company Incorporated with Authorised Share Capital of Rs. 3 Crores
24-Dec-09	2.00	Increase in Authorised Share Capital from Rs. 3 Crores to Rs 5 Crores
29-Mar-10	45.00	Increase in Authorised Share Capital from Rs 5 Crores to Rs 50 Crores
1-Jun-10	25.00	Increase in Authorized Share Capital from Rs. 50 Crores to Rs 75 Crores
23-Jul-10	50.00	Increase in Authorised Equity Share Capital from Rs. 75 Crores to Rs. 125 Crores
26-Nov-10	100.00	Increase in Authorised Equity Share Capital from Rs. 125 Crores to Rs. 225 Crores
22-Aug-11	100.00	Increase in Authorised Equity Share Capital from Rs. 225 Crores to Rs. 325 Crores
24-Jul-12	50.00	Increase in Authorised Equity Share Capital from Rs. 325 Crores to Rs. 375 Crores
1-Jul-13	247.91	Change in Equity Share Capital from Rs. 375 Crores to Rs. 435 Crores Creation of new class of shares (Preference Shares) for Rs. 187,90,77,000/-
23-Mar-16	-	Amendment in authorized share capital of the Company Rs. 622.90 Crores divided into 435,000,000 equity shares of ₹ 10 each and 50,000,000 fully paid up CCCPPS of ₹ 37.58154 each to Rs. 622.90 million divided into 622,907,700 equity shares of ₹ 10 each
<b>Total</b>	<b>622.91</b>	<b>Authorized Share Capital</b>

- (c) **Details of the equity share capital for the preceding three financial years and current financial year:**

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

Date of Allotment	No. of equity shares issued	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash, etc)	Nature of allotment	Cumulative			Remarks
						No of equity shares	Equity share capital (Rs.)	Equity share premium (Rs)	
23/06/2017	10,568,101	10	94	Cash	Rights Issue	42,27,24,022	42,27,240,220	84	N. A
22/09/2017	15,097,287	10	100	Cash	Rights Issue	43,78,21,309	43,78,213,090	90	N. A
09/11/2017	158,500	10	28	Cash	ESOP	43,79,79,809	43,79,798,090	18	N. A
30/01/2018	182,49,159	10	110	Cash	Rights Issue	45,62,28,968	45,62,289,680	100	N. A
13/02/2018	36,000	10	28	Cash	ESOP	45,62,64,968	45,62,649,680	18	N. A
13/02/2018	36,000	10	54.40	Cash	ESOP	45,63,00,968	45,63,009,680	44.40	N. A
24/03/2018	62,000	10	28	Cash	ESOP	45,63,62,968	45,63,629,680	18	N. A
24/03/2018	75,000	10	54.40	Cash	ESOP	45,64,37,968	45,64,379,680	44.40	N. A
12/05/2018	15,000	10	28	Cash	ESOP	45,64,52,968	45,64,529,680	18	N. A
12/05/2018	42,000	10	54.40	Cash	ESOP	45,64,94,968	45,64,949,680	44.40	N. A
21/07/2018	22,500	10	28	Cash	ESOP	45,65,17,468	45,65,174,680	18	N. A
22/09/2018	60,000	10	28	Cash	ESOP	45,65,77,468	45,65,774,680	18	N. A
22/09/2018	10,000	10	75	Cash	ESOP	45,65,87,468	45,65,874,680	65	N. A
10/12/2018	32,000	10	54.40	Cash	ESOP	45,66,19,468	45,66,194,680	44.40	N. A
31/12/2018	66,17,672	10	153	Cash	Rights Issue	46,32,37,140	46,32,371,400	143	N. A
26/03/2019	64,33,850	10	153	Cash	Rights Issue in the Company.	46,96,70,990	46,96,709,900	143	N. A
21/05/2019	18,000	10	28	Cash	ESOP	46,96,88,990	46,96,889,900	18	N. A
21/05/2019	26,000	10	54.40	Cash	ESOP	46,97,14,990	46,97,149,900	44.40	N. A
21/05/2019	5,000	10	110	Cash	ESOP	46,97,19,990	46,97,199,900	100	N. A
23/09/2019	10,000	10	75	Cash	ESOP	46,97,29,990	46,97,299,900	65	N. A
11/12/2019	22,500	10	54.40	Cash	ESOP	46,97,52,490	46,97,524,900	44.40	N. A
21/10/2020	15,000	10	28	Cash	ESOP	46,97,67,490	46,97,674,900	18	N. A
21/10/2020	15,000	10	75	Cash	ESOP	46,97,82,490	46,97,824,900	65	N. A
07/04/2021	46,500	10	28	Cash	ESOP	46,98,28,990	46,98,289,900	18	N. A
13/07/2021	15,000	10	75	Cash	ESOP	46,98,43,990	46,98,439,900	65	N. A

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

Date of Allotment	No. of equity shares issued	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash, etc)	Nature of allotment	Cumulative			Remarks
						No of equity shares	Equity share capital (Rs.)	Equity share premium (Rs)	
20/12/2021	19,000	10	54.40	Cash	ESOP	46,98,62,990	46,98,629,900	44.40	N. A
29/03/2022	10,000	10	28	Cash	ESOP	46,98,72,990	46,98,729,900	18	N. A
29/03/2022	20,000	10	54.40	Cash	ESOP	46,98,92,990	46,98,929,900	44.40	N. A
27/07/2022	4,000	10	54.40	Cash	ESOP	46,98,96,990	46,98,969,900	44.40	N. A
13/10/2022	6,50,00,000	10	140.00	Cash	Preferential Allotment	53,48,96,990	53,48,969,900	130	N. A
18/11/2022	1,00,000	10	110.00	Cash	ESOP	53,49,96,990	53,49,969,900	100	N,A
18/11/2022	21,000	10	54.40	Cash	ESOP	53,50,17,990	53,50,179,900	44.40	N.A
09/02/2023	2,000	10	54.40	Cash	ESOP	53,50,19,990	535,01,99,900	44.40	N.A
06/04/2023	25,500	10	28.00	Cash	ESOP	53,50,45,490	535,04,54,900	18.00	NA
09/05/2023	21,000	10	54.40	Cash	ESOP	53,50,66,490	535,06,64,900	44.40	N.A
26/07/2023	6000	10	54.40	Cash	ESOP	53,50,72,490	535,07,24,900	44.40	NA
20/09/2023	31,000	10	54.40	Cash	ESOP	53,51,03,490	535,10,34,900	44.40	NA
03/10/2023	22000	10	54.40	Cash	ESOP	535,10,34,900	535,12,54,900	44.40	NA
12/12/2023	20000	10	54.40	Cash	ESOP	535,12,54,900	535,14,54,900	44.40	NA
27/02/2024	17000	10	110	Cash	ESOP	535,14,54,900	535,16,24,900	100	NA

(d) **Details of any acquisition of or amalgamation with any entity in the preceding one year:**

Not Applicable. Please also refer Section 5.18 of this Key Information Document in respect of the merger by way of absorption of Hinduja Leyland Finance Limited with/into NDL Venture Limited (previously known as NXTDIGITAL Limited).

(e) **Details of any Reorganization or Reconstruction in the preceding one year:**

Not Applicable

- (f) **Details of the shareholding of the Company as at the latest quarter end, as per the format specified under the listing regulations:**

The shareholding pattern of the Issuer as of June 30, 2024, prepared in accordance with the LODR Regulations is set out in Annexure X below.

- (g) **List of top ten holders of equity shares of the Company as on the latest quarter end June 30, 2024:**

S. NO.	NAME OF THE SHAREHOLDERS	TOTAL NUMBER OF EQUITY SHARES	NUMBER OF SHARES IN DEMAT FORM	TOTAL SHAREHOLDING AS PERCENTAGE (%) OF TOTAL NO. OF EQUITY SHARES
1	Ashok Leyland Limited	32,32,46,338	32,32,46,338	60.40%
2	Hinduja Automotive Limited	6,92,77,542	6,92,77,542	12.95%
3	Abridge Investments Ltd	3,50,00,000	3,50,00,000	6.54%
4	Aviator Global Investment Fund	2,85,00,000	2,85,00,000	5.33%
5	Elara India Opportunities Fund	2,79,90,000	2,79,90,000	5.23%
6	The Great International Tusker Fund	1,36,00,000	1,36,00,000	2.54%
7	Connecor Investment Enterprises Ltd	1,00,00,000	1,00,00,000	1.87%
8	LGO Global Opportunities Fund	1,00,00,000	1,00,00,000	1.87%
9	Hinduja Capital Limited (formerly known as Hinduja Power Limited)	71,86,550	71,86,550	1.34%
10	Afrin Dia	65,00,000	65,00,000	1.21%
<b>Total</b>		<b>53,13,00,430</b>	<b>53,13,00,430</b>	<b>99.29%</b>

5.11 **Following details regarding the directors of the Company:**

- (a) **Details of the current directors of the Company:**

This table sets out the details regarding the Company's Board of Directors as on date of this Key Information Document:

NAME	DESIGNATION	DIN	AGE (IN YEARS)	ADDRESS	DATE OF APPOINTMENT	DETAILS OF OTHER DIRECTORSHIPS
Mr. Dheeraj	Chairman	00133410	53	24, Carlton House Terrace,	30-Aug-11	1. Ashok Leyland Limited 2. Hinduja Tech Limited 3. Gro Digital Platforms Limited

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

NAME	DESIGNATION	DIN	AGE (IN YEARS)	ADDRESS	DATE OF APPOINTMENT	DETAILS OF OTHER DIRECTORSHIPS
G Hinduja				London SW1Y5AP, United Kingdom		4.Switch Mobility Automotive Limited 5.Hinduja Automotive Limited (Reg in the UK) 6.Switch Mobility Limited 7.Hinduja Housing Finance Limited
Mr. Sachin Pillai	Managing Director and Chief Executive Officer	06400793	52	Appu, 24/37, Radhakrishna Nagar Main Road, Thiruvannamiyur, Near Saraswathi School, Chennai 600041, India	11-Feb-20	1.HLF Services Limited 2.Hinduja Housing Finance Limited 3.Gaadi Mandi Digital Platforms Limited 4.NDL Ventures Limited 5.Gro Digital Platforms Limited
Mr. Gopal Mahadevan	Director	01746102	58	Chaitanya Laurels Flat No B 703, Old No 59/60 New No. 81/83, CP Ramaswamy Road, Alwarpet, Teynampet, Chennai – 600018, India	16-Mar-15	1.Ashok Leyland Limited 2.Hinduja Housing Finance Limited 3.Hinduja Tech Limited 4.Lanka Ashok Leyland Limited 5.Switch Mobility Automotive Limited 6.Gro Digital Platforms Limited 7.OHM Global Mobility Private Limited 9.Ohm Global Mobility Private Limited
Mr. Sudhan shu Tripathi	Director	06431686	65	703, Casa Grande, 7th Floor, S B Marg, Lower Parel West Mumbai Maharashtra 400013 India	13-Aug-15	1.NDL Ventures Limited 2.Hinduja Global Solutions Limited 3.GOCL Corporation Limited 4.IDL Explosives Limited
Mr. G.S. Sundararajan	Independent Director	00361030	64	Flat 1002, The Summit, No. 6, 1st Avenue, Shastri Nagar, Chennai – 600020, India	21-May-19	1.Hinduja Housing Finance Limited 2.Utkarsh Coreinvest Limited 3.One 97 Communications Limited 4.Growxcd Finance Private Limited

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

NAME	DESIGNATION	DIN	AGE (IN YEARS)	ADDRESS	DATE OF APPOINTMENT	DETAILS OF OTHER DIRECTORSHIPS
Mr. Debabrata Sarkar	Independent Director	02502618	70	Mayfair Boulevard (Narayan Apartments) Flat No. 701, Main Avenue Santacruz (West), Mumbai 400 054, Maharashtra, India	16-Mar-15	1.GOCL Corporation Limited 2.Emami Limited 3.IDL Explosives Limited 4.Vistra Itcl (India) Limited 5.Easy Home Finance Limited 6.Mylead Fintech Private Limited 7Aditya Birla Sun Life Insurance Company Limited 8.Sanathan Textiles Limited 9.Inceptum Advisors Private Limited 10. NDL Ventures Limited
Ms. Manju Agarwal	Independent Director	06921105	65	14254 ATS One Hamlet, GH 01, Sector 104, Noida, Gautam Buddha Nagar, Uttar Pradesh-201301, India	5-Jun-2018	1.Vistaar Financial Services Private Limited 2.Indiaideas Com Limited 3.Gulf Oil Lubricants India Limited 4.Glenmark Life Sciences Limited 5.CMS INFO SYSTEMS LIMITED 6.Switch Mobility Automotive Limited 7.Polycab India Limited 8.Hinduja Housing Finance Limited
Ms. Mandee p Maitra	Independent Director	06937451	59	1203, Emerald Isle, Saki Vihar Road powai, Gate No-6, L And T Reality Mumbai – 400072	21-March - 2023	1.Expressions Learning Resources Private Limited 2.Gro Digital Platforms Limited
Mr. Jose Maria Alapont	Independent Director	07712699	74	10 ST James's Chambers, London, UK	23 <sup>rd</sup> August, 2024	Ashok Leyland Limited

(b) Details of change in directors in the preceding three financial years and current financial year:

NAME	DESIGNATION	DIN	DATE OF APPOINTMENT	DATE OF CESSATION, IF APPLICABLE	DATE OF RESIGNATION, IF APPLICABLE	REMARKS
Ms. Bhumika Batra	Independent Director	03502004	November 4, 2020	-	February 27, 2023	

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

Dr. Andreas Biagosch	Independent Director	06570499	November 10,2016	November 9,2021	-	
Mr. Jean Brunol	Independent Director	03044965	March 22,2022		26 <sup>th</sup> August,2024	
Dr. Mandeep Maitra	Independent Director	06937451	March 21,2023	-	-	
Mr. S Nagarajan	Whole Time Director and Executive Vice Chairman	00009236	November 12,2008	March 31,2023	-	
Mr. R S Sharma	Independent Director	00013208	19 <sup>th</sup> December 2013	22 <sup>nd</sup> July 2024	-	
Mr. Jose Maria Alapont	Independent Director	07712699	23 <sup>rd</sup> August,2024	-	-	-

(c) **Details of directors' remuneration, and such particulars of the nature and extent of their interests in the issuer (during the current year and preceding three financial years):**

(i) **Remuneration payable or paid to a director by the issuer, its subsidiary or associate company; shareholding of the director in the company, its subsidiaries and associate companies on a fully diluted basis;**

*By/in the Issuer:*

S. NO.	NAME OF THE DIRECTOR	REMUNERATION PAYABLE/PAID BY THE ISSUER					SHAREHOLDING/NO. OF SHARES IN THE ISSUER (ON A FULLY DILUTED BASIS)
		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-2025 (current financial year) <sup>^^</sup>	
1	Dheeraj G Hinduja	61.32	65.9	80.35	80.21	^^	Nil
2	Gopal Mahadevan	32.97	32.04	46.17	42.43		Nil
3	Sudhanshu Tripathi	25.21	26.99	38.17	34.25		65,830
4	Debabrata Sarkar	30.77	32.42	48.48	42.99		Nil
5	G S Sundararajan	31.5	29.16	43.6	45.90		Nil
6	Manju Agarwal	34.23	31.33	42.05	42.14		Nil
7	R S Sharma	30.5	32.04	48.48	42.55		Nil
8	Bhumika Batra*	7.83	25.34	39.76	-		Nil

S. NO.	NAME OF THE DIRECTOR	REMUNERATION PAYABLE/PAID BY THE ISSUER					SHAREHOLDING/NO. OF SHARES IN THE ISSUER (ON A FULLY DILUTED BASIS)
		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-2025 (current financial year)^	
9	Sachin Pillai	323.67	372.95	398.8	437.4		2,55,833
10	S. Nagarajan	403.4	431.34	465.85	-		20,83,375
11	Prof. Dr. Andreas H Biagosch#	21.28	11.24	-	-		Nil
12	Jean Brunol@	-	-	34	31.23		Nil
13	Mandeep Maitra&	-	-	2	31.31		Nil

\*Bhumika Batra resigned w.e.f. 27th February, 2023

#Prof. Dr. Andreas H Biagosch retired w.e.f. 9th November, 2021

@ Jean Brunol appointed w.e.f. 22nd March, 2022

& Mandeep Maitra appointed w.e.f. 21st March, 2023

^^ The audited financial statements for the Financial Year ended March 31, 2025 are in the process in the process of being prepared, and the information in respect of the remuneration of the directors for the current financial year will be disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI.

By/in the subsidiaries of the Issuer:

S. NO.	NAME OF THE DIRECTOR	REMUNERATION PAYABLE/PAID BY THE SUBSIDIARIES OF THE ISSUER					SHAREHOLDING IN THE SUBSIDIARIES OF THE ISSUER (ON A FULLY DILUTED BASIS)
		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	
		Nil					

By/in the associate of the Issuer:

S. NO.	NAME OF THE DIRECTOR	REMUNERATION PAYABLE/PAID BY THE ASSOCIATE COMPANIES OF THE ISSUER					SHAREHOLDING IN THE ASSOCIATE COMPANIES OF THE ISSUER (ON A FULLY DILUTED BASIS)
		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	
		Nil					

- (ii) **Appointment of any relatives to an office or place of profit of the issuer, its subsidiary or associate company;**

Of the Issuer:

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

S. NO.	NAME OF THE DIRECTOR	DETAILS OF THE RELATIVE	DETAILS OF APPOINTMENT OF THE RELATIVE TO AN OFFICE OR PLACE OF PROFIT
Not Applicable			

*Of the subsidiaries of the Issuer:*

S. NO.	NAME OF THE DIRECTOR	DETAILS OF THE RELATIVE	DETAILS OF APPOINTMENT OF THE RELATIVE TO AN OFFICE OR PLACE OF PROFIT OF THE SUBSIDIARIES OF THE ISSUER
Not Applicable			

*Of the associate companies of the Issuer:*

S. NO.	NAME OF THE DIRECTOR	DETAILS OF THE RELATIVE	DETAILS OF APPOINTMENT OF THE RELATIVE TO AN OFFICE OR PLACE OF PROFIT OF THE ASSOCIATE COMPANIES OF THE ISSUER
Not Applicable			

(iii) Full particulars of the nature and extent of interest, if any, of every director:

A. in the promotion of the issuer company; or

Not Applicable

B. in any immoveable property acquired by the issuer company in the two years preceding the date of the issue document or any immoveable property proposed to be acquired by it; or

Not Applicable

C. where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed.

Not Applicable

(d) Contribution being made by the directors as part of the offer or separately in furtherance of such objects.

Not Applicable

5.12 Any financial or other material interest of the directors, promoters, key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons.

Not Applicable

**5.13 Following details regarding the auditors of the Issuer:**

**(a) Details of the auditor of the Issuer:**

NAME OF THE AUDITOR	ADDRESS	DATE OF APPOINTMENT	REMARKS
Walker Chandiok & Co LLP	11th Floor, Tower 11, One International Center, S B Marg Prabhadevi (W), Mumbai – 400013	19/09/2022	-
R. Subramanian and Company LLP	Door No: 6 (old No 36), Krishnaswamy Avenue, Chennai -600004	27/08/2024	-

**(b) Details of change in auditors for preceding three financial years and current financial year:**

NAME OF THE AUDITOR	ADDRESS	DATE OF APPOINTMENT	DATE OF CESSATION, IF APPLICABLE	DATE OF RESIGNATION, IF APPLICABLE	REMARKS
M/s B S R and Associates	No. 10, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034	01/07/2013	04/07/2019		Expiry of Tenure
M/s Deloitte Haskins & Sells	19th Floor, 46-Prestige Trade Tower, Palace Road, High Grounds, Bengaluru, Karnataka – 560001	04/07/2019	19/09/2022	19/09/2022	Expiry Of Tenure
Suresh Surana & Associates LLP	Apex Towers 2nd Floor, No.54 (Old No.42) Second Main Road, R.A. Puram,	19/09/2022	27/08/2024	27/08/2024	Expiry of Tenure

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

NAME OF THE AUDITOR	ADDRESS	DATE OF APPOINTMENT	DATE OF CESSATION, IF APPLICABLE	DATE OF RESIGNATION, IF APPLICABLE	REMARKS
	Chennai – 600028				
Walker Chandiok & Co LLP	11th Floor, Tower 11, One International Center, S B Marg Prabhadevi (W) Mumbai – 400013	19/09/2022			Appointed as Statutory Auditor of the Company at the Annual General Meeting of the Company held on 19 <sup>th</sup> September, 2022 for a period of 3 years(Appointed further to the retirement of Statutory Auditors M/s. Deloittee Haskins & Sells)
R. Subramanian and Company LLP	Door No: 6 (old No 36), Krishnaswamy Avenue, Chennai - 600004	27/08/2024			Appointed as Statutory Auditor of the Company at the Annual General Meeting of the Company held on 27 <sup>th</sup> August, 2024 for a period of 3 years(Appointed further to the retirement of Statutory Auditors M/s. Suresh Surana & Associates LLP)

**5.14 Details of the following liabilities of the issuer, as at the end of the preceding quarter, or if available, a later date:**

**(a) Details of outstanding secured loan facilities as at the end of the last quarter as June 30, 2024:**

NAME OF LENDER	TYPE OF FACILITY	NO. OF FACILITY	AMOUNT SANCTIONED (RS. IN CRORES)	PRINCIPAL AMOUNT OUTSTANDING (RS. IN CRORES)	REPAYMENT DATE/SCHEDULE	SECURITY	ASSET CLASSIFICATION	CREDIT RATING
Axis Bank	Term Loan	8	1,219	894	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Bajaj Finance Limited	Term Loan	2	100	66	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

NAME OF LENDER	TYPE OF FACILITY	NO. OF FACILITY	AMOUNT SANCTIONED (RS. IN CRORES)	PRINCIPAL AMOUNT OUTSTANDING (RS. IN CRORES)	REPAYMENT DATE/SCHEDULE	SECURITY	ASSET CLASSIFICATION	CREDIT RATING
Bandhan Bank	Term Loan	3	600	537	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Bank of Baroda	Term Loan	8	2,200	1,205	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Bank of India	Term Loan	2	1,000	718	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Bank of Maharashtra	Term Loan	3	1,300	839	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Canara Bank	Term Loan	8	4,300	2,705	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Central Bank of India	Term Loan	6	1,100	443	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
City Union Bank	Term Loan	1	100	75	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
CSB Bank	Term Loan	2	150	100	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
DBS ECB	Term Loan	2	417	417	Bullet Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Deutsche Bank	Term Loan	4	700	462	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Development Credit Bank	Term Loan	1	115	102	Monthly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Equitas	Term Loan	1	100	58	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Federal Bank	Term Loan	4	750	530	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
HDFC Bank	Term Loan	16	3,450	2,769	Monthly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
ICICI Bank	Term Loan	2	350	328	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
IDBI Bank	Term Loan	3	650	555	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Indian Bank	Term Loan	21	2,950	1,962	Quarterly/ Monthly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Karnataka Bank Limited	Term Loan	3	350	240	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Karur Vysya Bank	Term Loan	1	125	70	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Kotak Mahindra Bank	Term Loan	3	375	269	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Mudra	Term Loan	2	525	402	Bullet Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Punjab National Bank	Term Loan	21	3,750	2,622	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
SIDBI	Term Loan	7	3,900	2,994	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
South Indian Bank	Term Loan	3	250	80	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
State Bank of India	Term Loan	5	2,750	1,362	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
UCO Bank	Term Loan	3	550	417	Monthly/ Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

NAME OF LENDER	TYPE OF FACILITY	NO. OF FACILITY	AMOUNT SANCTIONED (RS. IN CRORES)	PRINCIPAL AMOUNT OUTSTANDING (RS. IN CRORES)	REPAYMENT DATE/SCHEDULE	SECURITY	ASSET CLASSIFICATION	CREDIT RATING
Ujjivan Bank	Term Loan	2	150	150	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Union Bank of India	Term Loan	6	2,800	2,178	Quarterly Repayment	Book Debts	Secured	CARE/ CRISIL AA Stable
Punjab & Sind Bank	Term Loan	1	350	350	Quarterly Repayment	Book Debts	Secured	CRISIL AA Stable
<b>Grand Total</b>		<b>154</b>	<b>37,425.86</b>	<b>25,900.10</b>				

(b) **Details of outstanding unsecured loan facilities as at the end of the last quarter June 30, 2024:**

NAME OF LENDER	TYPE OF FACILITY	AMOUNT SANCTIONED (IN INR)	PRINCIPAL AMOUNT OUTSTANDING (IN INR)	REPAYMENT DATE/SCHEDULE	CREDIT RATING, IF APPLICABLE
<b>Not Applicable</b>					

(c) **Details of outstanding non-convertible securities as at the end of the last quarter June 30, 2024:**

SERIES OF NCS	ISIN	TENOR / PERIOD OF MATURITY	COUPON	AMOUNT (IN INR)	DATE OF ALLOTMENT	REDEMPTION DATE / SCHEDULE	CREDIT RATING	SECURED / UNSECURED	SECURITY
1	INE146O08100	7 Yrs	9.40%	100	28-Aug-17	28-Aug-24	"AA" by CARE	Unsecured	Nil
2	INE146O08118	7 Yrs	9.20%	100	13-Sep-17	13-Sep-24	AA by CARE	Unsecured	Nil
3	INE146O08134	7 Yrs	10.15%	100	27-Mar-18	27-Mar-25	AA by CARE	Unsecured	Nil
4	INE146O08142	6 Yrs	9.70%	150	18-Sep-18	18-Sep-24	PP-MLD AA by CARE	Unsecured	Nil
5	INE146O08159	5 yrs 6 month	11.60%	100	28-Mar-19	29-Sep-24	AA by CARE and AA-CRISIL	Unsecured	Nil
6	INE146O08167	66 months	9.75%	45	16-Feb-21	18-Aug-26	AA- by CRISIL	Unsecured	Nil
7	INE146O08175	67 months	9.75%	55	08-Mar-21	08-Oct-26	AA- by CRISIL	Unsecured	Nil
8	INE146O08183	66 months	9.75%	50	19-Mar-21	18-Sep-26	AA- by CRISIL	Unsecured	Nil

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

SERIES OF NCS	ISIN	TENOR / PERIOD OF MATURITY	COUPON	AMOUNT (IN INR)	DATE OF ALLOTMENT	REDEMPTION DATE / SCHEDULE	CREDIT RATING	SECURED / UNSECURED	SECURITY
9	INE146O08191	66 months	9.75%	75	26-Mar-21	25-Sep-26	AA by CARE and AA-CRISIL	Unsecured	Nil
10	INE146O08209	84 months	9.75%	50	22-Apr-21	21-Apr-28	AA by CARE and CRISIL AA-	Unsecured	Nil
11	INE146O08175 (Re-issue)	65 months	9.75%	50	30-Apr-21	08-Oct-26	AA- by CRISIL	Unsecured	Nil
12	INE146O08217	66 months	9.70%	50	19-Jul-21	19-Jan-27	AA by CARE	Unsecured	Nil
13	INE146O07482	36 months	8.60%	80	27-Jan-23	27-Jan-26	AA by CARE	Secured	Secured by specific assets by pari passu charge on hypothecation loan receivables with a security cover of 100%
14	INE146O08225	120 Months	9.50%	75	22-Jun-23	22-Jun-33	AA by CARE & CRISIL	Unsecured	Nil
15	INE146O08233	120 Months	9.45%	135	23-Aug-23	22-Jun-33	AA by CARE & CRISIL	Unsecured	Nil
16	INE146O08233 (Reissue)	119 Months	9.45%	90	20-Sep-23	22-Jun-33	AA by CARE & CRISIL	Unsecured	Nil
17	INE146O08233 (Reissue)	117 Months	9.45%	50	13-Nov-23	22-Jun-33	AA by CARE & CRISIL	Unsecured	Nil
18	INE146O08233 (Reissue)	117 Months	9.45%	35	21-Nov-23	22-Jun-33	AA by CARE & CRISIL	Unsecured	Nil
19	INE146O08241	7 Years 2 Months	9.45%	50	21-Nov-23	30-Jan-31	AA by CARE & CRISIL	Unsecured	Nil

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

SERIES OF NCS	ISIN	TENOR / PERIOD OF MATURITY	COUPON	AMOUNT (IN INR)	DATE OF ALLOTMENT	REDEMPTION DATE / SCHEDULE	CREDIT RATING	SECURED / UNSECURED	SECURITY
20	INE146O07490	36 Months	8.80%	100	18-Dec-23	18-Dec-26	AA by CARE & CRISIL	Secured	Secured by specific assets by pari passu charge on hypothecation loan receivables with a security cover of 110%
21	INE146O08233 (Reissue)	116 Months	9.45%	40	21-Dec-23	22-Jun-33	AA by CARE & CRISIL	Unsecured	Nil
22	INE146O08241 (Re-issue)	7 Years 12 Days	9.40%	50	19-Jan-24	30-Jan-31	AA by CARE & CRISIL	Unsecured	Nil
23	INE146O08233 (Re-issue)	9 Years 5 Months	9.45%	20	20-Mar-24	22-Jun-33	AA by CARE & CRISIL	Unsecured	Nil
24	INE146O08233 (Reissue)	9 Years 3 Months	9.45%	50	24-May-24	23-Aug-33	AA by CARE & CRISIL	Unsecured	Nil
25	INE146O08258	15 Years	9.65%	90	29-May-24	29-May-39	AA by CARE & CRISIL	Unsecured	Nil
26	INE146O08266	5 Years 6 Months	9.50%	100	29-May-24	29-Nov-29	AA by CARE & CRISIL	Unsecured	Nil
27	INE146O08266 (Reissue)	5 Years 5 Months	9.50%	100	26-Jun-24	29-Nov-29	AA by CARE & CRISIL	Unsecured	Nil
28	INE146O07490 - Reissue	31 Months	8.80%	55	11-Jun-24	18-Dec-26	AA by CARE & CRISIL	Secured	Secured by specific assets by pari passu charge on hypothecation loan receivables with a security cover of 110%

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

(d) **Details of commercial paper issuances as at the end of the last quarter June 30, 2024:**

SERIES OF NC S	ISIN	TENOR / PERIOD OF MATURITY	COUPON	AMOUNT OUTSTANDING (IN INR)	DATE OF ALLOTMENT	REDEMPTION DATE / SCHEDULE	CREDIT RATING	SECURED / UNSECURED	SECURITY	OTHER DETAILS VIZ. DETAILS OF ISSUING AND PAYING AGENT
1	INE146O14BW9	364 Days	8.85%	150	23-Feb-24	21-Feb-25	CARE/C RISIL A1+	Unsecured	-	HDFC
2	INE146O14BY5	339 Days	8.78%	100	27-Feb-24	31-Jan-25	CARE/C RISIL A1+	Unsecured	-	HDFC
3	INE146O14BX7	365 Days	8.78%	100	27-Feb-24	26-Feb-25	CARE/C RISIL A1+	Unsecured	-	HDFC
4	INE146O14CC9	365 Days	8.78%	25	07-Mar-24	07-Mar-25	CARE/C RISIL A1+	Unsecured	-	HDFC
5	INE146O14CD7	365 Days	8.72%	50	13-Mar-24	13-Mar-25	CARE/C RISIL A1+	Unsecured	-	HDFC
6	INE146O14CE5	91 Days	7.95%	100	16-Apr-24	16-Jul-24	CARE/C RISIL A1+	Unsecured	-	HDFC
7	INE146O14CF2	181 Days	8.45%	100	21-May-24	18-Nov-24	CARE/C RISIL A1+	Unsecured	-	HDFC
8	INE146O14CG0	91 Days	8.22%	200	22-May-24	21-Aug-24	CARE/C RISIL A1+	Unsecured	-	HDFC
9	INE146O14CH8	91 Days	8.25%	200	24-May-24	23-Aug-24	CARE/C RISIL A1+	Unsecured	-	HDFC
10	INE146O14CI6	91 Days	8.15%	100	28-May-24	27-Aug-24	CARE/C RISIL A1+	Unsecured	-	HDFC
11	INE146O14CJ4	91 Days	8.05%	200	03-Jun-24	02-Sep-24	CARE/C RISIL A1+	Unsecured	-	HDFC
12	INE146O14CK2	91 Days	8.08%	150	05-Jun-24	04-Sep-24	CARE/C RISIL A1+	Unsecured	-	HDFC
13	INE146O14CL0	91 Days	8.08%	100	06-Jun-24	05-Sep-24	CARE/C RISIL A1+	Unsecured	-	HDFC
14	INE146O14CM8	231 Days	8.43%	150	10-Jun-24	27-Jan-25	CARE/C RISIL A1+	Unsecured	-	HDFC

(e) **List of top ten holders of non-convertible securities in terms of value (in cumulative basis) as the end of the last quarter June 30, 2024:**

SR. NO.	NAME OF HOLDERS	CATEGORY OF HOLDER	FACE VALUE OF HOLDING (Rs. In Crores)	HOLDING AS A % OF TOTAL OUTSTANDING NON-CONVERTIBLE SECURITIES OF THE ISSUER
1.	SPORTA TECHNOLOGIES PRIVATE LIMITED	Corporate Body	175	8.56%
2.	HVPNL EMPLOYEES PENSION FUND TRUST	TRUST	135	6.60%
3.	HPGCL EMPLOYEES PENSION FUND TRUST	TRUST	110	5.38%
4.	A. K. CAPITAL SERVICES LTD.	Corporate Body	100	4.89%
5.	THE SOUTH INDIAN BANK LTD	Corporate Body	97	4.74%
6.	UHBVNL EMPLOYEES PENSION FUND TRUST	TRUST	80	3.91%
7.	HSBC CREDIT RISK FUND	MUTUAL FUNDS	55	2.69%
8.	The Bombay Dyeing and Manufacturing Company Limited	Corporate Body	55	2.69%
9.	MORGAN STANLEY INDIA PRIMARY DEALER PRIVATE LIMITED	Corporate Body	50	2.44%
10.	THE KARNATAKA BANK LTD	Bank	50	2.44%

(f) **List of top ten holders of Commercial paper in terms of value (in cumulative basis) as the end of the last quarter June 30, 2024:**

SR. NO.	NAME OF HOLDER	CATEGORY OF HOLDER	FACE VALUE OF HOLDING (Rs. In Crores)	HOLDING AS A % OF TOTAL COMMERCIAL PAPER OUTSTANDING OF THE ISSUER
1	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE LIQUID FUND	MUTUAL FUNDS	500	28.99%
2	UTI - CREDIT RISK FUND	MUTUAL FUNDS	375	21.74%
3	KOTAK MAHINDRA TRUSTEE CO. LTD. A/C KOTAK LIQUID FUND	MUTUAL FUNDS	300	17.39%
4	HDFC MUTUAL FUND-HDFC MONEY MARKET FUND	MUTUAL FUNDS	225	13.04%
5	BARODA BNP PARIBAS LIQUID FUND	MUTUAL FUNDS	150	8.70%

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

6	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS LIQUID FUND A/C	MUTUAL FUNDS	100	5.80%
7	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA MONEY MARKET FUND	MUTUAL FUNDS	50	2.90%
8	TATA MUTUAL FUND - TATA ULTRA SHORT TERM FUND	MUTUAL FUNDS	25	1.45%

- (g) **Details of the bank fund based facilities/ rest of the borrowing (if any, including hybrid debt like Foreign Currency Convertible Bonds (FCCB), Optionally Convertible Debentures/ Preference Shares) from financial institutions or financial creditors as the end of the last quarter:**

NAME OF PARTY (IN CASE OF FACILITY) / NAME OF INSTRUMENT	TYPE OF FACILITY / INSTRUMENT	AMOUNT SANCTIONED/ ISSUED	PRINCIPAL AMOUNT OUTSTANDING	DATE OF REPAYMENT/ SCHEDULE	CREDIT RATING	SECURED/ UNSECURED	SECURITY
Not Applicable							

- 5.15 **The amount of corporate guarantee or letter of comfort issued by the issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc.**

Not Applicable

- 5.15A **Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued:**

- in whole or part,
- at a premium or discount, or
- in pursuance of an option or not.

Not Applicable

- 5.16 **Where the Issuer is a non-banking finance company or housing finance company, the required disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials:**

Please refer to Section 10 below.

- 5.17 **Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the company, in the preceding three years and the current financial year:**

No default or delay in payments of interest and principal has occurred by the Company in the preceding three years and the current financial year.

- 5.18 **Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities/ commercial paper.**

Save as stated elsewhere in this Key Information Documents, in the opinion of the Directors of the Company, other than as set out below there have been no material developments, after the date of the last audited / un-audited financial statements as disclosed in this Key Information Documents, which would materially and adversely affect, or would be likely to affect, the trading or profitability of the Company or the value of its assets or its ability to pay its liabilities.

The Board of Directors of Hinduja Leyland Finance at their meeting on November 25, 2022, inter alia have unanimously approved the Scheme of Merger by Absorption under Sections 230 to 232 and other applicable provisions of the Companies Act 2013 (including any statutory modification or re-enactment or amendment thereof), for the merger by absorption of Hinduja Leyland Finance Limited (the "**Transferor Company**") into NDL Venture Limited (previously known as NXTDIGITAL Limited) (the "**Transferee Company**").

The scheme is subject to the receipt of approvals from the RBI, SEBI, the National Company Law Tribunal, BSE Limited and the National Stock Exchange of India Limited and other statutory and regulatory authorities, and the respective shareholders and creditors, under applicable law.

The share exchange ratio for the merger of the Hinduja Leyland Finance Limited with and into NDL Venture Limited (previously known as NXTDIGITAL Limited) shall be 25 (Twenty Five) equity shares of the face value Rs. 10/- each of NDL Venture Limited (previously known as NXTDIGITAL Limited) shall be issued and allotted as fully paid up for every 10 (Ten) equity shares of the face value of Rs. 10/- each fully paid up held in Hinduja Leyland Finance Limited. As per the aforementioned scheme, the appointed date for the merger by absorption of Hinduja Leyland Finance Limited with and into NDL Venture Limited (previously known as NXTDIGITAL Limited) shall be April 01, 2022 or such other date as may be directed or approved by the National Company Law Tribunal or any other appropriate authority.

For more details, please refer: <https://www.bseindia.com/xml-data/corpfiling/AttachHis/26d64bf1-e963-4455-8844-74812f6c2b2c.pdf>.

- 5.19 **Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of the issue document against the promoter of the company:**

As on date, there are no legal proceedings or any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of this Key Information Document against the promoter of the Issuer.

- 5.20 **Details of default and non-payment of statutory dues for the preceding three financial years and current financial year:**

As on date, there are no default or non-payment of statutory dues by the Company for the preceding three financial years and the current financial year.

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- 5.21 **Details of pending litigation involving the issuer, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the issuer, which may affect the issue or the investor's decision to invest / continue to invest in the debt securities and/ or non-convertible redeemable preference shares**

Nil.

- 5.22 **Details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and if so, the action taken by the issuer**

*Rs. In Lakhs*

S No	Period of Occurrence	Amount Involved	Modus Operandi	Action Taken and Status of the case
1	2017-18	31.65	Employee defalcation	Under Investigation by the Company
2	2018-19	3	Employee defalcation	Under Investigation by the Company
3	2019-20	9.39	Employee defalcation	Under Investigation by the Company
4	2020-21	3983	Employee defalcation	Under Investigation by the Company and recovered Rs.2,565.25 Lakh till date

- 5.23 **Details of pending proceedings initiated against the issuer for economic offences, if any**

Not Applicable

- 5.24 **Related party transactions entered during the preceding three financial years and current financial year with regard to loans made or, guarantees given or securities provided**

Please refer **Annexure XII** Of KID

- 5.25 **In case the issuer is a Non-Banking Finance Company (NBFC) and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:**

S. NO.	NAME OF THE BORROWER (A)	AMOUNT OF ADVANCES /EXPOSURES TO SUCH BORROWER (GROUP) (RS. CRORE) (B)	PERCENTAGE OF EXPOSURE (C)= B/TOTAL ASSETS UNDER MANAGEMENT
Not Applicable.			

- 5.26 **In order to allow investors to better assess the issue, the following additional disclosures shall be made by the issuer in the issue documents: (i) A portfolio summary with regards to industries/ sectors to which borrowings have been granted by NBFCs. (ii) Quantum and percentage of secured vis-à-vis unsecured borrowings granted by NBFCs. (iii) Any change in promoters' holdings in NBFCs during the preceding financial year beyond the threshold specified by the Reserve Bank of India from time to time.**

Please refer Section 10 below.

Further, there has been no change in promoters' holding in the Issuer during the financial year 2023-2024, beyond the threshold specified by the Reserve Bank of India from time to time.

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- 5.27 **Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.**

PARTICULARS	REFERENCING
Directors	Please refer Annexure VIII in respect of the resolutions passed at the meeting of the board of directors of the Issuer and at the meeting of executive committee of the board of directors of the Issuer.
Auditors	Not applicable as no auditor is proposed to be mandated for any private placement of Debentures pursuant to this General Information Document and any Key Information Document issued pursuant thereto.
Bankers to issue	Not applicable as no banker is proposed to be mandated for any private placement of Debentures pursuant to this General Information Document and any Key Information Document issued pursuant thereto.
Trustees	The consent letter from Debenture Trustee is provided in Annexure III of this Key Information Document.
Solicitors /Advocates	Not applicable.
Legal Advisors	Not applicable.
Lead Manager	Not applicable as no lead manager is proposed to be mandated for any private placement of Debentures pursuant to this Key Information Document and any Key Information Document issued pursuant thereto.
Registrar	The consent letter from the Registrar is provided in Annexure III of this Key Information Document.
Lenders of the Issuer	Not applicable. The Issuer believes that as any private placement of Debentures pursuant to the General Information Document and the Key Information Document issued pursuant thereto would fall within the purview of fund raising in the ordinary course of business of the Issuer.
Experts	As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, and as no statements or confirmations from any experts are being obtained in respect of this issue of Debentures, the Issuer believes that no specific consent from the lenders of the Issuer is required.

- 5.28 **The name(s) of the debentures trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with copy of the consent letter from the debenture trustee.**

The Debenture Trustee of the proposed Debentures is IDBI Trusteeship Services Limited. IDBI Trusteeship Services Limited has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this Key Information Document and in all the subsequent periodical communications sent to the Debenture Holders. The consent letter from Debenture Trustee is provided in Annexure III of this Key Information Document.

- 5.29 **If the security is backed by a guarantee or letter of comfort or any other document of a similar nature, a copy of the same shall be disclosed. In case such document does not contain the detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the issue document.**

Not Applicable.

**5.30 Disclosure of cash flow with date of interest/dividend/ redemption payment as per day count convention**

- (a) ***The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made:*** Actual / Actual. Please also refer to the sub-section named "*Business Day Convention*" under Section 5.34 of this Key Information Document.
- (b) ***Procedure and time schedule for allotment and issue of securities:*** Please refer Section 8 of this Key Information Document.
- (c) ***Cash flows emanating from the non-convertible securities shall be mentioned in the Key Information Document, by way of an illustration:*** The cashflows emanating from the Debentures, by way of an illustration, are set out under Annexure V (*Illustration of Bond Cashflows*) of this Key Information Document.

5.30A **Undertaking by the Issuer:** Please refer Section 9 below.

5.30B **Risk Factors:** Please refer Section 3.

5.30C **Attestation by Directors:** Please refer Section 9.2 of the Key Information Document.

**5.31 Other details:**

- (a) ***Creation of Debenture Redemption Reserve (DRR) / Capital Redemption Reserve (CRR) - relevant legislations and applicability:***
  - (i) As per Section 71 of the Companies Act, any company that intends to issue debentures must create a debenture redemption reserve ("**DRR**") to which adequate amounts shall be credited out of the profits of the company until the redemption of the debentures. However, as on the Effective Date, pursuant to the Companies (Share Capital and Debenture) Rules), 2014, non-banking financial companies registered with the RBI are exempted from the requirement to maintain a DRR in case of privately placed debentures.
  - (ii) The Company hereby agrees and undertakes that, if required under Applicable Law, it will create a DRR in accordance with the provisions of the Act (and the rules and regulations made thereunder) and the guidelines issued by the relevant Governmental Authorities.
  - (iii) If any guidelines are formulated (or modified or revised) by any Governmental Authority in respect of creation of the DRR prior to the Final Settlement Date, then the Company shall comply with such guidelines and shall do all deeds, acts and things as may be required by the Debenture Trustee in respect of the creation and maintenance of the DRR.
  - (iv) Where applicable, the Company shall submit to the Debenture Trustee a certificate duly certified by a chartered accountant certifying that the Company has transferred the required amount to the DRR at the end of each Financial Year.
  - (v) In addition to the above, to the extent required by Applicable Law, the Company shall, in any Financial Year, in respect of any amounts of the Debentures maturing in such Financial Year, invest or deposit amounts up to

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

such thresholds as may be prescribed by Applicable Law and in such form and manner as prescribed therein and within the time periods prescribed therein.

(b) ***Issue / instrument specific regulations - relevant details (Companies Act, Reserve Bank of India guidelines etc.):***

The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act including the relevant notified rules thereunder, the SEBI Debt Listing Regulations, the LODR Regulations, the Debenture Trustees Regulations, the SEBI Listed Debentures Circulars, and other RBI guidelines and SEBI guidelines applicable to issuance of non-convertible debentures by NBFCs on a private placement basis.

(c) ***Default in payment:***

Please refer to the sub-section named "*Default Interest Rate*" and "*Additional Disclosures (Default in Payment)*" of Section 5.34 (*Summary Terms*) in respect of the additional interest in the event of a default in payment, and Section 7.6.2(a) in respect of the event of default in the event of a default in payment.

(d) ***Delay in listing:***

Please refer the sub-section named "*Listing (name of stock Exchange(s) where it will be listed and timeline for listing)*" of Section 5.34 (*Summary Terms*) in relation to the listing requirements in respect of the Debentures and sub-section named "*Additional Disclosures (Delay in Listing)*" of Section 5.34 (*Summary Terms*) in respect of the default interest in the event of delay in listing.

(e) ***Delay in allotment of securities:***

- (i) The Issuer shall ensure that the Debentures are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements.
- (ii) The Debentures shall be deemed to be allotted to the Debenture Holders on the Deemed Date of Allotment. All benefits relating to the Debentures are available to the Debenture Holders from the Deemed Date of Allotment.
- (iii) If the Issuer fails to allot the Debentures to the Applicants within 60 (sixty) calendar days from the date of receipt of the Application Money ("**Allotment Period**"), it shall repay the Application Money to the Applicants within 15 (fifteen) calendar days from the expiry of the Allotment Period ("**Repayment Period**").
- (iv) If the Issuer fails to repay the Application Money within the Repayment Period, then Issuer shall be liable to repay the Application Money along with interest at 12% (twelve percent) per annum, gross of withholding taxes, from the expiry of the Allotment Period. PROVIDED THAT no interest shall be payable if the Issuer is paying interest under the provisions of the DTD.

(f) ***Delay in execution of DTD***

In case the Issuer fails to execute the Debenture Trust Deed on or before the Deemed Date of Allotment of Debentures, the Issuer will pay additional interest of 2% (Two Percent) per annum over the Coupon, over and above the agreed Coupon Rate, till the execution of the Debenture Trust Deed.

(g) ***Issue details:*** Please refer to Section 5.34 (*Summary Terms*) of this Key Information Document.

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- (h) **Application process:** The application process for the Issue is as provided in Section 8 of this Key Information Document.
- (i) **Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any:** The PPOA prepared in accordance with the Form PAS 4 prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014 is provided in Annexure XI. Please refer Annexure XI for all disclosures required under the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- (j) **Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project:** Not applicable.
- (k) **Other matters and reports:**
  - (a) **If the proceeds, or any part of the proceeds, of the issue of the debt securities are or is to be applied directly or indirectly:**
    - (i) in the purchase of any business; or
    - (ii) in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith  
  
the company shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof, a report made by a chartered accountant (who shall be named in the issue document) upon -
      - (A) the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of the issue document; and
      - (B) the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the issue document.
  - Not Applicable. The proceeds from the issue of Debentures will be utilised in accordance with the Purpose (as set out in Section 5.34 below).
  - (b) **In purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, disclosures regarding**
    - (i) the names, addresses, descriptions and occupations of the vendors;
    - (ii) the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill;
    - (iii) the nature of the title or interest in such property proposed to be acquired by the company; and
    - (iv) the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the company, had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction:

Provided that if the number of vendors is more than five, then the disclosures as required above shall be on an aggregated basis, specifying the immoveable property being acquired on a contiguous basis with mention of the location/total area and the number of vendors from whom it is being acquired and the aggregate value being paid. Details of minimum amount, the maximum amount and the average amount paid/ payable should also be disclosed for each immovable property

Not Applicable. The proceeds from the issue of Debentures will be utilised in accordance with the Purpose (as set out in Section 5.34 below).

(c) **If:**

- (i) the proceeds, or any part of the proceeds, of the issue of the debt securities are or are to be applied directly or indirectly and in any manner resulting in the acquisition by the company of shares in any other body corporate; and -
- (ii) by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the company, a report shall be made by a Chartered Accountant (who shall be named in the issue document) upon –
  - A. the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of the issue document; and
  - B. the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.

Not Applicable. The proceeds from the issue of Debentures will be utilised in accordance with the Purpose (as set out in Section 5.34 below).

(d) **The said report shall:**

- (i) indicate how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the issuer company and what allowance would have been required to be made, in relation to assets and liabilities so dealt with for the holders of the balance shares, if the issuer company had at all material times held the shares proposed to be acquired; and
- (ii) where the other body corporate has subsidiaries, deal with the profits or losses and the assets and liabilities of the body corporate and its subsidiaries in the manner as provided in Section 5.32(c)(ii) above.

Not applicable.

- (e) The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including re-scheduling, prepayment, penalty, default shall be disclosed.

Please refer Section 10 below for the broad lending and borrowing policy of the Issuer.

- (f) **The aggregate number of securities of the issuer company and its subsidiary companies purchased or sold by the promoter group, and by the directors of the company which is a promoter of the issuer company, and by the directors of the issuer company and their relatives, within six months immediately preceding the date of filing the issue document with the Registrar of Companies are as follows.**

Nil

- (g) **The matters relating to: (i) Material contracts; (ii) Time and place at which the contracts together with documents will be available for inspection from the date of issue document until the date of closing of subscription list**

The following contracts, not being contracts entered into in the ordinary course of business carried on by the Issuer or entered into more than 2 (two) years before the date of this Key Information Document which are or may be deemed material have been entered into by the Issuer.

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the registered office of the Issuer between on 10.00 am to 4.00 pm Business Days.

S. No.	Nature of Contract
1.	Certified true copy of the memorandum of association, the articles of association, and the certificate of incorporation of the Issuer.
2.	Board Resolutions dated May 15, 2024 of the Issuer authorizing the issue of Debentures offered under the terms of this Disclosure Document.
3.	Resolution dated June 25, 2024 of the shareholders of the Issuer under Section 42, 71 of the Companies Act.
4.	Resolution dated June 25, 2024 (With respect to issuance of Non-convertible Debentures) of the shareholders of the Issuer under Section 180(1)(a) of the Companies Act.
5.	Resolution dated May 17, 2024 (With respect to overall borrowing limits of the company) of the shareholders of the Issuer under Section 180(1)(c) of the Companies Act.
6.	Annual reports of the Issuer for the last 3 (three) Financial Years.
7.	Credit rating letter, the rating rationale and the press release from the Rating Agency Annexure II.
8.	Letter from IDBI Trusteeship Services Limited dated September 25, 2024 bearing reference no. 35525-B/ITSL/OPR/ CL/24-25/DEB/689 giving its consent to act as Debenture Trustee.
9.	Letter from Link Intime Indian Private Limited dated September 25, 2024 giving its consent to act as Register and Transfer Agent.
10.	The tripartite agreement(s) executed between the Issuer, the Registrar and the relevant Depositories.
11.	The application made to BSE for grant of in-principle approval for listing of Debentures, and the in-principle approval provided by the BSE in respect of the listing of the Debentures.
12.	The due diligence certificate(s) issued by the Debenture Trustee pursuant to the SEBI Debenture Trustees Master Circular and the other SEBI Listed Debentures Circulars.
13.	The Transaction Documents (including the Debt Disclosure Documents).

- (h) **Reference to the relevant page number of the audit report which sets out the details of the related party transactions entered during the three financial years immediately preceding the issue of issue document.**

Please refer page 112 of the annual report for the Financial Year ended March 31, 2022, page 127 of the annual report for the Financial Year ended March 31, 2023, and 128 of the annual report for the Financial Year ended March 31, 2024 which sets out the details of the related party transactions entered into by the Issuer.

**The annual reports for the Financial Year ended March 31, 2024 and quarterly unaudited result for June 30, 2024 is set out in Annexure I of the Key Information Document and the same is disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI.**

- (i) **The summary of reservations or qualifications or adverse remarks of auditors in the three financial years immediately preceding the year of issue of issue document, and of their impact on the financial statements and financial position of the company, and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remarks.**

Nil

The annual reports for the Financial Year ended March 31, 2024 is set out in Annexure I of the Key Information Document and the same is disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI.

- (j) **The details of:**
- **any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act, 2013 (18 of 2013) or any previous companies law;**
  - **prosecutions filed, if any (whether pending or not); and**
  - **finances imposed or offences compounded,**
- in the three years immediately preceding the year of issue of issue document in the case of the issuer being a company and all of its subsidiaries.**

Nil

- (k) **The details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and actions taken by the issuer**

*Rs. In Lakhs*

S No	Period of Occurrence	Amount Involved	Modus Operandi	Action Taken and Status of the case
1	2020-21	3983	Employee defalcation	Under Investigation by the Company and recovered Rs.2,565.25 Lakh till date
2	2021-22**	Nil	N.A.	N.A.
3	2022-23**	Nil	N.A.	N.A.
4	2023-24**	Nil	N.A.	N.A.
5	2024-25* [Current Financial Year]	Nil	N.A.	N.A.

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

*\*The audited financial statements for the Financial Year ended March 31, 2024 are in the process of being prepared, and the information in respect of the material fraud for the current financial year will be disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI.*

*\*\*no fraud by the Company or no material fraud on the Company has been noticed or reported during the period*

(I) **Utilization of the Issue Proceeds**

Please refer the sub-section on "Details of the utilization of the Proceeds" under Section 5.34 (Summary Terms) of this Key Information Document.

5.32 **Summary Terms**

<b>Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.</b>	Re-issue 9.50% HLFL Sub debt Nov2029 Tranche VI
<b>Issuer</b>	Hinduja Leyland Finance Limited
<b>Type of Instrument</b>	Rated, listed, subordinated, unsecured, taxable, redeemable, transferable, non-convertible debentures
<b>Nature of Instrument (Secured or Unsecured)</b>	Unsecured
<b>Seniority (Senior or Subordinated)</b>	Subordinated
<b>Eligible Investors</b>	As specified in Section 8.7 ( <i>Eligible Investors</i> ).
<b>Listing (name of stock Exchange(s) where it will be listed and timeline for listing)</b>	<p>(a) The Issuer shall submit all duly completed documents to the BSE, SEBI, the jurisdictional registrar of companies or any other Governmental Authority, as are required under Applicable Law and obtain the listing of the Debentures within the timelines prescribed under the SEBI Listing Timelines Requirements ("<b>Listing Period</b>").</p> <p>(b) The Issuer shall ensure that the Debentures continue to be listed on the wholesale debt market segment of the BSE.</p> <p>(c) The Issuer shall ensure that the Debentures at all times are rated in accordance with the provisions of the Transaction Documents and that the rating of the Debentures is not withdrawn until the Final Settlement Date.</p> <p>(d) In the event there is any delay in listing of the Debentures beyond the Listing Period, pursuant to the requirements prescribed under the SEBI Listing Timelines Requirements, the Issuer will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the Deemed Date of Allotment until the listing of the Debentures is completed.</p>
<b>Rating of the Instrument</b>	"AA Stable" by each of CARE Ratings Limited and CRISIL Ratings Limited.
<b>Issue Size</b>	INR 50,00,00,000 (Indian Rupees Fifty Crore)
<b>Minimum Subscription</b>	Minimum application shall not be less than INR 1,00,00,000 (Indian Rupees One Crore) (being 100 (one hundred) Debentures) and in multiples of 1 (one) Debenture thereafter.

<b>Option to retain oversubscription (Amount)</b>	N.A.
<b>Objects of the Issue / Purpose for which there is requirement of funds</b>	<p>(a) The funds raised by the Issue shall be utilized by the Issuer for ("<b>Purposes</b>"):</p> <ul style="list-style-type: none"> <li>(i) augmenting the Issuer's Tier 2 Capital;</li> <li>(ii) the general corporate purposes of the Issuer; and/or</li> <li>(iii) the purposes of deployment in the business activities of the Issuer, and the growth of the asset book of the Issuer.</li> </ul> <p>The amount equivalent to 100% of the funds raised by the Issue will be utilized towards the Purposes. The Issuer has not yet determined the specific allocation between the objects set out in paragraphs (i) to (iii) above.</p> <p>(b) Without prejudice to paragraph (a) above, the Issuer shall not use the proceeds of the Issue towards:</p> <ul style="list-style-type: none"> <li>(i) any capital market instrument such as equity, debt, debt linked, and equity linked instruments or any other capital market related activities (whether directly or indirectly);</li> <li>(ii) any speculative purposes;</li> <li>(iii) investment in the real estate sector/real estate business (including the acquisition/purchase of land); and</li> <li>(iv) in contravention of applicable law (including without limitation, any guidelines, rules or regulations of the RBI and SEBI).</li> </ul> <p>PROVIDED HOWEVER THAT until the funds raised by the Issue are utilised by the Issuer in accordance with the Purposes, the Issuer shall be entitled to temporarily invest the funds raised by the Issue in overnight and/or liquid schemes of mutual funds and/or deposits held with scheduled commercial banks.</p>
<b>In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:</b>	N.A.
<b>Details of the utilization of the Proceeds</b>	<p>(a) The funds raised by the Issue shall be utilized by the Issuer for the Purposes:</p> <ul style="list-style-type: none"> <li>(i) augmenting the Issuer's Tier 2 Capital;</li> <li>(ii) the general corporate purposes of the Issuer; and/or</li> <li>(iii) the purposes of deployment in the business activities of the Issuer, and the growth of the asset book of the Issuer.</li> </ul>

	<p>The amount equivalent to 100% of the funds raised by the Issue will be utilized towards the Purposes. The Issuer has not yet determined the specific allocation between the objects set out in paragraphs (i) to (iii) above.</p> <p>(b) Without prejudice to paragraph (a) above, the Issuer shall not use the proceeds of the Issue towards:</p> <p>(i) any capital market instrument such as equity, debt, debt linked, and equity linked instruments or any other capital market related activities (whether directly or indirectly);</p> <p>(ii) any speculative purposes;</p> <p>(iii) investment in the real estate sector/real estate business (including the acquisition/purchase of land); and</p> <p>(iv) in contravention of applicable law (including without limitation, any guidelines, rules or regulations of the RBI and SEBI).</p> <p>PROVIDED HOWEVER THAT until the funds raised by the Issue are utilised by the Issuer in accordance with the Purposes, the Issuer shall be entitled to temporarily invest the funds raised by the Issue in overnight and/or liquid schemes of mutual funds and/or deposits held with scheduled commercial banks.</p>
<b>Coupon/Dividend Rate</b>	<p>9.50% (nine decimal five zero percent) per annum, payable annually (fixed).</p> <p><b><i>Interest on Debentures</i></b></p> <p>The interest on the Debentures (on the Outstanding Principal Amounts) shall accrue at the Interest Rate from the Deemed Date of Allotment until the Debentures are repaid in full and shall be payable by the Issuer to the relevant Debenture Holders in the manner determined herein on each Interest Payment Date. The interest payment schedule is set out in <b>Annexure V</b>.</p>
<b>Step Up/Step Down Coupon Rate</b>	Not applicable.
<b>Coupon Payment Frequency</b>	The indicative interest payment schedule is set out in Annexure V.
<b>Coupon Payment Dates</b>	The indicative interest payment schedule is set out in Annexure V.
<b>Cumulative / non cumulative, in case of dividend</b>	Not Applicable.
<b>Coupon Type (Fixed, floating or other structure)</b>	Fixed.
<b>Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).</b>	Not Applicable.
<b>Day Count Basis (Actual/Actual)</b>	Interest and all other charges shall accrue based on an actual/actual basis.
<b>Interest on Application Money</b>	(i) Interest at the Interest Rate, subject to deduction of tax at source

	<p>in accordance with Applicable Law, will be paid by the Issuer on the Application Money to the Applicants from (and including) the date of receipt of such Application Money up to (and including) the day occurring 1 (one) day prior to the Deemed Date of Allotment for all valid applications, within 5 (five) Business Days from the Deemed Date of Allotment. Where pay-in date of the Application Money and the Deemed Date of Allotment are the same, no interest on Application Money will be payable.</p> <p>(ii) Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refunded amount to the bank account of the Applicant as described in the Application Form by electronic mode of transfer such as (but not limited to) RTGS/NEFT/direct credit.</p> <p>(iii) Where an Applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on application will be refunded to the Applicant in the bank account of the Applicant as described in the Application Form along with interest on the refunded money by electronic mode of transfer like RTGS/NEFT/direct credit. Details of allotment will be sent to every successful Applicant.</p>
<b>Default Interest Rate</b>	<p>(a) In the event of occurrence of a Payment Default, the Issuer shall pay additional interest at 2% (two percent) per annum over the Interest Rate in respect of the Debentures on the amount of such Payment Default from the date of the occurrence of such Payment Default until such Payment Default is cured or the Debentures are fully redeemed (whichever is earlier), on each Interest Payment Date occurring during the aforementioned period.</p> <p>(b) The actions mentioned in paragraph (a) above are subject to Applicable Law and the prior approval of the RBI (if so required).</p>
<b>Tenor (Original Issuance)</b>	66 Months (Sixty-Six months) from the Deemed Date of Allotment
<b>Tenor (Further Issuance)</b>	5 (Five) Years 1 (Two) Months, 29 (Twenty-Nine) Days from the Date of Allotment for this NCD Issuance
<b>Redemption Date</b>	November 29, 2029
<b>Redemption Amount</b>	<p>INR 1,00,000 (Indian Rupees One Lakh) per Debenture.</p> <p><b><i>Manner of redemption</i></b></p> <p>(a) The Debentures shall be redeemed on a <i>pari passu</i> basis by the Issuer by making payment of the Outstanding Principal Amounts on the Final Redemption Date. The redemption schedule is set out in <b>Annexure V</b>.</p> <p>(b) Without prejudice to anything contained in the section named "Interest on Application Money" and "Default Interest Rate" above and this section name "Redemption Amount", the Issuer shall, on the Final Redemption Date, promptly pay the outstanding amounts in respect of the Debentures and discharge all outstanding obligations.</p>

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

	(c) The Issuer shall not redeem (or prematurely redeem) the Debentures in any way other than in accordance with the terms of the DTD.
<b>Redemption Premium/Discount</b>	N.A.
<b>Issue Price</b>	INR 1,03,227.3973/- (Indian Rupees One Lakh Three Thousand Two Hundred Twenty Seven and decimal Three Nine Seven Three) per Debenture
<b>Original ISIN</b>	INE146O08266
<b>Outstanding Amount</b>	Rs.4,50,00,00,000/- (Indian Rupees Four Hundred and Fifty Crores only)
<b>Accrued Interest</b>	INR 3,227.3973/- (Indian Rupees Three Thousand Two Hundred Twenty Seven and decimal Three Nine Seven Three) per Debenture from May 29, 2024 to September 29, 2024
<b>Discount at which security is issued and the effective yield as result of such discount</b>	N.A.
<b>Premium/Discount at which security is redeemed and the effective yield as a result of such premium/discount.</b>	N.A.
<b>Put Date</b>	N.A.
<b>Put Price</b>	N.A.
<b>Call Date</b>	N.A.
<b>Call Price</b>	N.A.
<b>Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)</b>	N.A.
<b>Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)</b>	N.A.
<b>Face Value</b>	INR 1,00,000 (Indian Rupees One Lakh) per Debenture
<b>Minimum application and in multiples thereafter</b>	Minimum application shall not be less than INR 1,00,00,000 (Indian Rupees One Crore) (being 100 (one hundred) Debentures) and in multiples of 1 (one) Debenture thereafter.
<b>Issue Timing</b>	3.00 pm to 4.00 pm
<b>1. Issue Opening Date</b>	September 27, 2024
<b>2. Issue Closing Date</b>	September 27, 2024
<b>3. Date of earliest closing of the issue, if any.</b>	N.A.
<b>4. Pay-in Date</b>	September 30, 2024
<b>5. Deemed Date of Allotment</b>	September 30, 2024
<b>Settlement Mode of the Instrument</b>	Please refer Section 8 below.
<b>Depository</b>	NSDL and CDSL
<b>Disclosure of Interest/Dividend/ redemption dates</b>	The illustrative interest payment and redemption schedule is set out in Annexure V.
<b>Record Date</b>	means the date that falling 15 (fifteen) calendar days prior to any Due Date on which any payments are to be made to the Debenture Holder(s),

	provided such date is a Business Day. In case such date is not Business Day then succeeding date will be considered as the "Record Date" for determination of the persons entitled to receive redemption of principal, coupon, and other payments, if any, as the case may be, in respect of the Debentures shall be made.
<b>All covenants of the issue (including side letters, accelerated payment clause, etc.)</b>	Please also refer Section 7 below for an indicative list of representations and warranties of the Issuer, financial covenants, reporting covenants, affirmative covenants, and negative covenants, and acceleration on event of default.
<b>Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation</b>	Not applicable as the Debentures are unsecured and subordinated debt instruments.
<b>Replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the issue document</b>	Not applicable as the Debentures are unsecured and subordinated debt instruments.
<b>Transaction Documents</b>	<p>means:</p> <ul style="list-style-type: none"> <li>(a) the DTD;</li> <li>(b) the Debenture Trustee Agreement;</li> <li>(c) the Debt Disclosure Document;</li> <li>(d) the letters issued by the, and each memorandum of understanding/agreement entered into with, the Rating Agency, the Debenture Trustee and/or the Registrar;</li> <li>(e) each tripartite agreement between the Issuer, the Registrar and the relevant Depository;</li> <li>(f) the resolutions and corporate authorisations provided pursuant to the section name "<i>Conditions precedent to Disbursement</i>"; and</li> <li>(g) any other document that may be designated as a Transaction Document by the Debenture Trustee or the Debenture Holders,</li> </ul> <p>and "Transaction Document" means any of them.</p>
<b>Conditions precedent to Disbursement</b>	<p>The Issuer shall fulfil the following conditions precedent, to the satisfaction of the Debenture Trustee/the Applicants, prior to the Deemed Date of Allotment, by submitting and providing to the Debenture Trustee/the Applicants:</p> <p><b>CORPORATE AUTHORISATIONS</b></p> <ul style="list-style-type: none"> <li>(a) copies of the Constitutional Documents certified as correct, complete and in full force and effect by an authorised person of</li> </ul>

	<p>the Issuer;</p> <p>(b) copies of the authorisations, approvals and licenses (governmental or otherwise) received by the Issuer from the RBI or any other Governmental Authority in relation to (i) the business of the Issuer, and (ii) the execution, delivery and performance of the Issuer's obligations under the Transaction Documents (if any);</p> <p>(c) a copy of the resolution of the Issuer's board of directors and any resolution of any committee of the board of directors authorising the execution, delivery and performance of the Transaction Documents certified as correct, complete and in full force and effect by an authorised person of the Issuer;</p> <p>(d) a copy of the resolution of the shareholders of the Issuer in accordance with Section 180(1)(c) of the Companies Act approving the borrowing contemplated under the Transaction Documents certified as correct, complete and in full force and effect by an authorised person of the Issuer;</p> <p>(e) (to the extent applicable) a copy of the resolution of the shareholders of the Issuer under Section 42 of the Companies Act approving issuance of non-convertible debentures by the Issuer on a private placement basis certified as correct, complete and in full force and effect by an authorised person of the Issuer;</p> <p><b>TRANSACTION DOCUMENTS</b></p> <p>(f) execution, delivery and stamping of the Transaction Documents (including the Debt Disclosure Documents) in a form and manner satisfactory to the Debenture Trustee;</p> <p><b>INTERMEDIARY DOCUMENTS</b></p> <p>(g) a copy of the rating letter and the rating rationale issued by the Rating Agency in relation to the Debentures;</p> <p>(h) a copy of the consent from the Debenture Trustee to act as the debenture trustee for the Issue;</p> <p>(i) a copy of the consent from the Registrar to act as the registrar and transfer agent for the Issue;</p> <p>(j) a copy of the tripartite agreement(s) executed between the Issuer, the Registrar and the relevant Depository;</p> <p>(k) a copy of the listing agreement entered into between the Issuer and the BSE;</p> <p><b>OTHERS</b></p> <p>(l) evidence that all "know your customer" requirements prescribed by the Debenture Trustee and the Applicants have been provided/fulfilled;</p> <p>(m) the audited financial statements of the Issuer for the Financial Year ended March 31, 2024, and, to the extent required by the</p>
--	---

	<p>Debenture Holders and available with the Issuer, the most recently prepared audited/unaudited financial statements of the Issuer for most recent financial half-year;</p> <p>(n) a copy of the in-principle approval provided by the BSE in respect of the listing of the Debentures/GID;</p> <p>(o) a certificate from the authorised signatories of the Issuer addressed to the Debenture Trustee confirming as on the Deemed Date of Allotment/the date of the certificate, <i>inter alia</i>:</p> <p>(i) the persons authorised to sign the Transaction Documents and any document to be delivered under or in connection therewith, on behalf of the Issuer, together with the names, titles and specimen signatures of such authorised signatories;</p> <p>(ii) the Issuer has the power under the Constitutional Documents to borrow monies by way of the issuance of the Debentures;</p> <p>(iii) the issuance of the Debentures will not cause any limit, including any borrowing limit binding on the Issuer to be exceeded;</p> <p>(iv) no consents and approvals are required by the Issuer from its creditors or any Governmental Authority or any other person for the issuance of the Debentures;</p> <p>(v) the representations and warranties contained in the DTD and the other Transaction Documents are true and correct in all respects;</p> <p>(vi) no Event of Default has occurred or is subsisting;</p> <p>(vii) no Material Adverse Effect has occurred; and</p> <p>(viii) no investor or shareholder consent/approval, pursuant to the articles of association of the Issuer or any shareholders' agreements or other documents/instruments entered into by the Issuer and its shareholders and investors, is required for the Issuer to enter into or perform its obligations under the Transaction Documents; and</p> <p>(p) provide such other information, documents, certificates, opinions and instruments as the Debenture Trustee and the Applicants may request in connection with the transactions contemplated under the Transaction Documents.</p>
<b>Conditions Subsequent to Disbursement</b>	<p>The Issuer shall fulfil the following conditions subsequent, to the satisfaction of the Debenture Trustee:</p> <p>(a) the Issuer shall ensure that the Debentures are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines</p>

	<p>prescribed under the SEBI Listing Timelines Requirements;</p> <p>(b) the Issuer shall make the application for listing of the Debentures and obtain listing of the Debentures within the Listing Period;</p> <p>(c) the Issuer shall file a return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC within 15 (fifteen) calendar days of the Deemed Date of Allotment, along with a list of the Debenture Holders and with the prescribed fee;</p> <p>(d) if so required, the Issuer shall maintain and file a copy of Form PAS-5 in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014 in respect of the issue of the Debentures; and</p> <p>(e) the Issuer shall provide such other information, documents, certificates, opinions and instruments as the Debenture Trustee and the Debenture Holders may reasonably request in connection with the transactions contemplated under the Transaction Documents.</p>
<b>Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)</b>	Please refer Section 7.6.2 below.
<b>Creation of recovery expense fund</b>	<p>The Issuer undertakes and confirms that it shall, within the time period prescribed under the Chapter IV (<i>Recovery Expenses Fund</i>) of the SEBI Debenture Trustees Master Circular, establish and maintain the Recovery Expense Fund in such manner/mode as is prescribed under the Chapter IV (<i>Recovery Expenses Fund</i>) of the SEBI Debenture Trustees Master Circular.</p> <p>The Issuer shall, promptly upon establishment, provide the details of the Recovery Expense Fund to the Debenture Trustee.</p>
<b>Conditions for breach of covenants (as specified in Debenture Trust Deed)</b>	Please refer sections named " <i>Default Interest Rate</i> " and Section 7 below.
<b>Provisions related to Cross Default</b>	<p>The below is an Event of Default.</p> <p>(a) The Issuer:</p> <p>(i) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created; or</p> <p>(ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity,</p>

	<p>and such Financial Indebtedness of the Issuer is declared to be due and payable.</p> <p>(b) Any acceleration of any Financial Indebtedness of the Issuer, wherein any Financial Indebtedness of the Issuer shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof, whether as a result of the occurrence of an event of default or the breach of any covenants (howsoever described and/or by whatever name called) under any financing documents that the Issuer is party to.</p>
<b>Roles and Responsibilities of the Debenture Trustee</b>	<p>In addition to the powers conferred on the Debenture Trustee in the DTD and Applicable Law, and without limiting the liability of the Debenture Trustee, it is agreed as follows:</p> <p>(a) the Debenture Trustee may, in relation to the DTD and the other Transaction Documents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Issuer or by the Debenture Trustee or otherwise;</p> <p>(b) subject to the approval of the Debenture Holders by way of a Special Resolution passed at a meeting of the Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall, as regards all trusts, powers, authorities and discretions, have the discretion as to the exercise thereof and to the mode and time of exercise thereof. In the absence of any fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the aforementioned exercise or non-exercise thereof. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction;</p> <p>(c) with a view to facilitating any dealing under any provisions of the DTD or the other Transaction Documents, subject to the Debenture Trustee obtaining the consent of the Majority Debenture Holders, the Debenture Trustee shall have (i) the power to consent (where such consent is required) to a specified transaction or class of transactions (with or without specifying additional conditions); and (ii) to determine all questions and doubts arising in relation to the interpretation or construction any of the provisions of the DTD;</p> <p>(d) the Debenture Trustee shall not be responsible for the amounts paid by the Applicants for the Debentures;</p> <p>(e) the Debenture Trustee shall not be responsible for acting upon any resolution purporting to have been passed at any meeting of</p>

	<p>the Debenture Holders in respect whereof minutes have been made and signed even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not valid or binding upon the Debenture Holders;</p> <p>(f) the Debenture Trustee and each receiver, attorney, manager, agent or other person appointed by it shall, subject to the provisions of the Act, be entitled to be indemnified by the Issuer in respect of all liabilities and expenses incurred by it in the execution or purported execution of the powers and trusts thereof;</p> <p>(g) subject to the approval of the Debenture Holders by way of a Special Resolution passed at a meeting of the Debenture Holders held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee shall not be liable for any of its actions or deeds in relation to the Transaction Documents;</p> <p>(h) subject to the approval of the Debenture Holders by way of Special Resolution passed at a meeting of the Debenture Holders held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee, shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts herein expressed or contained herein or in enforcing the covenants contained herein or in giving notice to any person of the execution hereof or in taking any other steps which may be necessary, expedient or desirable or for any loss or injury which may be occasioned by reason thereof unless the Debenture Trustee shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid given in writing by the Majority Debenture Holders or by a Majority Resolution duly passed at a meeting of the Debenture Holders. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction;</p> <p>(i) notwithstanding anything contained to the contrary in the DTD, the Debenture Trustee shall before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders, obtain the written consent of the Majority Debenture Holders;</p> <p>(j) the Debenture Trustee shall forward to the Debenture Holders copies of any information or documents from the Issuer pursuant to the DTD within 2 (two) Business Days of receiving such information or document from the Issuer;</p> <p>(k) without prejudice to anything contained in this sub-section name</p>
--	---

	<p><i>"Roles and Responsibilities of the Debenture Trustee"</i>, the Debenture Trustee shall oversee and monitor the transaction contemplated in the Transaction Documents for and on behalf of the Debenture Holders; and</p> <p>(l) the Debenture Trustee shall, until the Final Settlement Date, adhere to and comply with its obligations and responsibilities under the SEBI Debenture Trustees Master Circular.</p> <p>PROVIDED THAT nothing contained in this sub-section name <i>"Roles and Responsibilities of the Debenture Trustee"</i> shall exempt the Debenture Trustee or any receiver, attorney, manager, agent or other person appointed by the Debenture Trustee from or indemnify them against any liability for breach of trust nor any liability which by virtue of any rule or Applicable Law would otherwise attach to them in respect of any negligence, default or breach of trust which they may be guilty of in relation to their duties hereunder.</p>
<b>Risk factors pertaining to the issue</b>	Please refer Section 3.
<b>Governing Law &amp; Jurisdiction</b>	The Transaction Documents shall be governed by and will be construed in accordance with the laws of India and any disputes arising there from shall be subject to the jurisdiction of appropriate courts and tribunals at Mumbai, India and as more particularly provided for in the respective Transaction Documents.
<b>Business Day Convention</b>	<p>(a) Interest and all other charges shall accrue based on an actual/actual basis.</p> <p>(b) All payments in respect of the Debentures required to be made by the Issuer shall be made on a Business Day.</p> <p>(c) If any Due Date on which any interest or additional interest is payable falls on a day which is a Sunday or is not a Business Day, the payment to be made on such Due Date shall be made on the succeeding Business Day.</p> <p>(d) If any Due Date on which any Outstanding Principal Amounts are payable falls on a day which is a Sunday or is not a Business Day, the payment to be made on such Due Date shall be made on the preceding Business Day.</p> <p>(e) If the Final Redemption Date falls on a day which is a Sunday or is not a Business Day, the payment of any amounts in respect of the Outstanding Principal Amounts to be made shall be made on the preceding Business Day.</p> <p>(f) In the absence of anything to the contrary mentioned in the DTD and other Transaction Documents, if any day for performance of any acts under the Transaction Documents (other than those set out in paragraph (c) to paragraph (e) above) falls on a day which is not a Business Day, such acts shall be performed shall be made on the succeeding Business Day.</p>
<b>Multiple Issuances</b>	<p>(a) Subject to Applicable Law, the Issuer reserves the right to make multiple issuances under the same ISIN.</p> <p>(b) Such issue can be made either by way of creation of fresh ISIN or</p>

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

	by way of issuance under the existing ISIN at premium/par/discount as the case may be in accordance with the Applicable Law.
<b>Additional Disclosures (Security Creation)</b>	Not applicable as the Debentures are unsecured and subordinated debt instruments.
<b>Additional Disclosures (Default in Payment)</b>	In the event of occurrence of a Payment Default, the Issuer shall pay additional interest at 2% (two percent) per annum over the Interest Rate in respect of the Debentures on the amount of such Payment Default from the date of the occurrence of such Payment Default until such Payment Default is cured or the Debentures are fully redeemed (whichever is earlier), on each Interest Payment Date occurring during the aforementioned period.
<b>Additional Disclosures (Delay in Listing)</b>	In the event there is any delay in listing of the Debentures beyond the Listing Period, pursuant to the requirements prescribed under the SEBI Listing Timelines Requirements, the Issuer will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the Deemed Date of Allotment until the listing of the Debentures is completed.
<b>Declaration required by BSE Limited</b>	<p>This Issue of Debentures does not form part of non-equity regulatory capital mentioned under Chapter V of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.</p> <p>The face value of each debt security/Debenture issued on private placement basis shall be INR 1,00,000 (Indian Rupees One Lakh).</p>

**Note:**

- a. If there is any change in coupon rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new coupon rate and events which lead to such change should be disclosed.*
- b. The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.*
- c. The issuer shall provide granular disclosures in their Key Information Document, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".*

#### **SECTION 6: DISCLOSURES PERTAINING TO WILFUL DEFAULT**

- (a) **The following disclosures shall be made if the issuer or its promoter or director is declared wilful defaulter:**
- (i) **Name of the bank declaring the entity as a Wilful Defaulter:** NIL
  - (ii) **The year in which the entity is declared as a Wilful Defaulter:** NIL
  - (iii) **Outstanding amount when the entity is declared as a Wilful Defaulter:** NIL
  - (iv) **Name of the entity declared as a Wilful Defaulter:** NIL
  - (v) **Steps taken, if any, for the removal from the list of wilful defaulters:** NIL
  - (vi) **Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions:** NIL
  - (vii) **Any other disclosure as specified by SEBI:** NIL
- (b) **The fact that the issuer or any of its promoters or directors is a wilful defaulter shall be disclosed prominently on the cover page with suitable cross-referencing to the pages:** NIL

## SECTION 7: KEY TERMS OF THE ISSUE

### 7.1. Representations and Warranties of the Issuer

The Issuer makes the representations and warranties set out in this Section 7.1 (*Representations and Warranties of the Issuer*) to the Debenture Trustee for the benefit of the Debenture Holders as on the Effective Date, which representations shall be true and valid until the Final Settlement Date.

(a) **Status**

- (i) It is a company, duly incorporated, registered and validly existing under Applicable Law.
- (ii) It is a non-banking financial company registered with the RBI, and such registration is valid and subsisting.
- (iii) It has the power to own its assets and carry on its business as it is being conducted.

(b) **Binding obligations**

The obligations expressed to be assumed by it under the Transaction Documents are legal, valid, binding and enforceable obligations.

(c) **Non-conflict with other obligations**

The entry into and performance by it of, and the transactions contemplated by the Transaction Documents do not and will not conflict with:

- (i) any Applicable Law (including, without limitation, the Companies Act, and any directions/circulars issued by SEBI and/or the RBI in respect of issuance of non-convertible debentures);
- (ii) its Constitutional Documents; or
- (iii) any agreement or instrument binding upon it or any of its Assets, including but not limited to any terms and conditions of the existing Financial Indebtedness of the Issuer.

(d) **Power and authority**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorize its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by such Transaction Documents (including the issuance of the Debentures).

(e) **Validity and admissibility in evidence**

All approvals, authorizations, consents, permits (third party, statutory or otherwise) required or desirable:

- (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations under the Transaction Documents to which it is a party (including the issuance of Debentures);
- (ii) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- (iii) for it to carry on its business, and which are material,  
  
have been obtained or effected and are in full force and effect.

(f) **No default**

- (i) No Event of Default or potential Event of Default has occurred and is continuing or would reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures.
- (ii) No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Issuer or any of its Assets or which might have a Material Adverse Effect.

(g) **No proceedings pending**

Other than as disclosed by the Issuer in its annual report for the financial year prior to the Effective Date, no litigation, arbitration, investigation, or administrative proceedings of or before any court, arbitral body or agency have been commenced or threatened against the Issuer, which if determined adversely, may have a Material Adverse Effect (including in respect of the business condition (financial or otherwise), operations, performance or prospects of the Issuer or that may affect the Debentures).

(h) **No misleading information**

All information provided by the Issuer to the Debenture Trustee/Debenture Holders is true, and fair (determined in accordance with Applicable Accounting Standards).

(i) **Compliance**

- (i) The Issuer has complied with all material Applicable Law (including but not limited to environmental, social and taxation related laws for the Issuer to carry on its business, all directions issued by the RBI to non-banking financial companies).
- (ii) There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of any Governmental Authority issued or outstanding or to the best of the Issuer's knowledge (after making due and careful enquiry), anticipated against the Issuer which would have a Material Adverse Effect.
- (iii) No notice or other communication (official or otherwise) from any Governmental Authority has been issued or is outstanding or to the best of the Issuer's knowledge (after making due and careful enquiry), anticipated with respect to an alleged, actual or potential violation and/or failure to comply with any such Applicable Law or requiring them to take or omit any action, which has or could result in a Material Adverse Effect.
- (iv) The Issuer shall complete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to the SEBI, the BSE, CERSAI and the ROC and obtain all consents and approvals required for the completion of the Issue.

(j) **Assets**

Except for the security interests and encumbrances created and recorded with the ROC, the

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

Issuer has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material Assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(k) **Financial Statements**

- (i) Its audited financial statements most recently provided to the Debenture Trustee as of March 31, 2024 were prepared in accordance with Applicable Accounting Standards consistently applied save to the extent expressly disclosed in such financial statements.
- (ii) Its audited financial statements as of March 31, 2024 provided to the Debenture Trustee, give a true and fair view and represent its financial condition and operations during the Financial Year save to the extent expressly disclosed in such financial statements.

(l) **Solvency**

- (i) The Issuer is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it has not been deemed by a court to be unable to pay its debts for the purposes of Applicable Law, nor will it become unable to pay its debts for the purposes of Applicable Law as a consequence of entering into the DTD or any other Transaction Document.
- (ii) The Issuer, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its Financial Indebtedness.
- (iii) The value of the Assets of the Issuer is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.
- (iv) The Issuer has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.
- (v) No insolvency or bankruptcy process has commenced under Applicable Law in respect of the Issuer (including pursuant to the IBC and the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 and any other rules and regulations made thereunder from time to time).
- (vi) No reference has been made, or enquiry or proceedings commenced, in respect of the Issuer, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the Stressed Assets Framework).

(m) **Subordinated Obligations**

- (i) Except for obligations mandatorily preferred by Applicable Law applying to companies generally, the payment obligations of the Issuer under the Transaction Documents:
  - (A) are subordinated to the claims of all other creditors of the Issuer; and
  - (B) are equivalent to/at par with the claims of all other subordinated debt of the Issuer.

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

(ii) The Debentures are eligible for classification as Tier 2 Capital of the Issuer.

(n) ***SCORES Authentication***

The Issuer has received the Securities and Exchange Board of India Complaints Redress System (SCORES) authentication prior to the Deemed Date of Allotment.

(o) ***Material Adverse Effect***

(i) No fact or circumstance, condition, proceeding or occurrence exists (including in respect of the business, condition or operations of the Issuer) that has a Material Adverse Effect.

(ii) No Material Adverse Effect has occurred or would reasonably be expected to result from the execution or performance of the Transaction Documents or the issuance of the Debentures.

(p) ***Illegality***

It is not unlawful or illegal for the Issuer to perform any of its obligations under the Transaction Documents (including the issuance of Debentures).

(q) ***No filings or stamp taxes***

There are no stamp duties, registration, filings, recordings or notarizations before or with any Governmental Authority required to be carried out in India in relation to the execution and delivery of the Transaction Documents by the Issuer other than the:

(i) stamping of the Transaction Documents (on or prior to execution in Chennai, India) in accordance with the Indian Stamp Act, 1899 (as applicable to the state of Tamil Nadu);

(ii) payment of the stamp duty in respect of the Debentures;

(iii) filing of the return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC; and

(iv) filing of the Debt Disclosure Documents with the ROC and SEBI.

(r) ***Future Borrowings***

Notwithstanding anything contained in this Deed or any other Transaction Document, the Company shall be entitled to borrow or raise loans or create encumbrances or avail financial assistance in whatever form, and also issue promissory notes or debentures or other securities, so long as an Event of Default is not subsisting and any of the abovementioned actions (a) do not result in an Event of Default, (b) any breach of Applicable Law, or (c) are not detrimental/prejudicial to the interests or rights of the Debenture Holders.

(s) ***Confirmations pursuant to the Debt Listing Regulations***

With effect from the date of filing of the draft Key Information Document with the BSE, as on the date of filing of the draft Key Information Document with the BSE in accordance with the Debt Listing Regulations:

(i) the Issuer, the Promoters of the Issuer, the Promoter Group of the Issuer or the directors of the Issuer have not been debarred from accessing the securities market or dealing in securities by SEBI;

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- (ii) no Promoter of the Issuer or director of the Issuer is a promoter or director of any other company which is debarred from accessing the securities market or dealing in securities by SEBI;
- (iii) no Promoter of the Issuer or director of the Issuer is a fugitive economic offender; and
- (iv) no fines or penalties levied by SEBI or any of the stock exchanges is pending to be paid by the Issuer.

## 7.2. Financial Covenants

Each of the requirements prescribed and actions mentioned in this Section 7.2 (*Financial Covenants*) are subject to Applicable Law and the prior approval of the RBI (if so required).

- (a) Commencing from the Deemed Date of Allotment until the Final Settlement Date, the Issuer shall:
  - (i) maintain a Capital Adequacy Ratio of not less than the thresholds as may be prescribed by the RBI from time to time; and
  - (ii) ensure that the ratio of A:B does not exceed 6% (six percent), where A is the Net NPA, and B is the assets under management of the Issuer, multiplied by 100, and followed by the "%" symbol, determined on a standalone basis.
- (b) The financial covenants set out in this Section 7.2 (*Financial Covenants*) shall be tested on a quarterly basis on the last day of each financial quarter, on the basis of consolidated and standalone financial statements of the Issuer.

## 7.3. Reporting Covenants

The Issuer shall provide or cause to be provided to the Debenture Trustee, and to any Debenture Holder (if so requested by such Debenture Holder), including on any online reporting platform notified to the Issuer, in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

- (a) as soon as available, and in any event within 180 (one hundred and eighty) calendar days after the end of each financial year:
  - (i) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed financial year, prepared in accordance with Applicable Accounting Standards including its balance sheet, income statement and statement of cash flow.  
  
All such information shall be complete and correct in all material respects and shall fairly represent the financial condition, results of operation and changes in cash flow and a list comprising all material financial liabilities of the Issuer whether absolute or contingent as of the date thereof;
  - (i) certified copies of its annual report for such financial year; and
  - (ii) certificate from an authorised officer of the Issuer confirming that there is no existing potential Event of Default or Event of Default;
- (b) within 90 (ninety) calendar days after the end of each financial quarter:
  - (i) certified copies of its un-audited/limited review consolidated and non-

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

consolidated (if any) quarterly financial statements for the preceding fiscal quarter, prepared in accordance with Applicable Accounting Standards including its balance sheet, income statement and statement of cash flow (if applicable);

- (ii) a certificate signed by an authorised signatory of the Issuer acceptable to the Debenture Holders stating that the Issuer is in compliance with all the financial covenants prescribed under Section 7.2 (*Financial Covenants*) on the basis of the most recent unaudited quarterly financial statements of the Issuer; and
  - (iii) copies of the quarterly returns filed with the RBI and SEBI.
- (c) as soon as practicable, and in any event within 10 (ten) Business Days after the Issuer obtains actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect;
- (d) as soon as practicable, and in any event within 10 (ten) Business Days after the Issuer obtains actual knowledge thereof, notices, orders or directions any court or tribunal in relation to any dispute, litigation, arbitration, investigation or other proceeding (including administrative proceedings) affecting the Issuer or its property or operations, which, if adversely determined, could result in a Material Adverse Effect;
- (e) as soon as practicable, and in any event within 10 (ten) Business Days after the Issuer obtains actual knowledge thereof, notice of the occurrence of any Event of Default or potential Event of Default including any steps taken to cure such event;
- (f) as soon as practicable, and in any event within 10 (ten) Business Days, any prepayment, or the receipt of notice of any Financial Indebtedness of the Issuer (from the provider of such Financial Indebtedness or any person acting on its behalf) declared to be due and payable or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof;
- (g) as soon as practicable, and in any event within 10 (ten) Business Days after such default, notice of any default in the observance or performance of any agreement or condition relating to any Financial Indebtedness by the Issuer or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity in respect of the Issuer;
- (h) as soon as practicable, and in any event within 10 (ten) Business Days of receiving (i) any notice of any application for winding up or insolvency process or any statutory notice of winding up or insolvency process under the provisions of the Companies Act or any other Applicable Law (including IBC, the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time), or (ii) any other notice under any other statute relating to the commencement/initiation of winding up or insolvency process or any similar action, or any suit or other legal process in respect thereof proposed to be filed or initiated against the Issuer;
- (i) as soon as practicable and in any event within 10 (ten) Business Days of the occurrence of the following events, the details of:
  - (i) any change in the list/composition of the board of directors of the Issuer;
  - (ii) any material change in the Issuer's shareholding structure;

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- (iii) any change in any of the senior management officials (being, Chief Executive Officer or equivalent) of the Issuer; and
- (iv) any change in the Constitutional Documents which has a Material Adverse Effect;
- (j) without prejudice to (k) below, as soon as practicable and in any case within 30 (thirty) calendar days of receipt of a request, such additional documents or information as the Debenture Trustee may, for the effective discharge of its duties and obligations under Applicable Law, reasonably request from time to time; and
- (k) as soon as practicable and in any case within such timelines as may be prescribed under Applicable Law (if any), or as may be agreed between the Issuer and the Debenture Trustee, such other information, notifications, details, documents, reports, statements and certificates (including from chartered accountants, auditors and/or directors of the Issuer) as may be required by the Debenture Trustee from time to time, to ensure compliance with the provisions of the applicable law, including but not limited to the Debenture Trustees Regulations and the Companies (Share Capital and Debentures) Rules, 2014.

#### 7.4. **Covenants**

Each of the requirements prescribed and actions mentioned in this Section 7.4 (*Covenants*) are subject to Applicable Law and the prior approval of the RBI (if so required).

Until the Final Settlement Date, the Issuer hereby undertakes and covenants as follows:

(a) ***Use of Proceeds***

The Issuer shall use the proceeds of the Issue only for the Purposes and in accordance with Applicable Law and sub-section called "*Objects of the Issue / Purpose for which there is requirement of funds*" above.

(b) ***Loss or Damage by Uncovered Risks***

The Issuer shall promptly inform the Debenture Trustee and the Debenture Holders of any material loss or significant damage which the Issuer may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Issuer may not have insured its properties.

(c) ***Costs and Expenses***

The Issuer shall pay all reasonable costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of the Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Issuer before they are incurred and shall not include any foreign travel costs.

(d) ***Payment of Rents, etc.***

The Issuer shall punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Issuer as and when such amounts are payable.

(e) ***Preserve Corporate Status***

The Issuer shall:

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- (i) diligently preserve and maintain its corporate existence and status and all rights, privileges, and concessions now held or hereafter acquired by it in the conduct of its business;
- (ii) comply with all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any Governmental Authority; and
- (iii) not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the outstanding amounts in respect of the Debentures might or would be hindered or delayed.

(f) ***Pay Stamp Duty***

The Issuer shall pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Issuer may be required to pay according to the applicable state laws. In the event the Issuer fails to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee shall be at liberty (but shall not be bound) to pay such amounts and the Issuer shall reimburse the aforementioned amounts to the Debenture Trustee on demand.

(g) ***Furnish Information to Debenture Trustee***

The Issuer shall:

- (i) provide to the Debenture Trustee such information/copies of relevant extracts as they may require on any matters relating to the business of the Issuer or to investigate the affairs of the Issuer, as may be required by the Debenture Trustee to comply with its obligations under Applicable Law;
- (ii) allow the Debenture Trustee to make such examination and investigation as and when deemed necessary by the Debenture Trustee for the effective discharge of its duties and obligations under Applicable Law, and the Issuer shall furnish the Debenture Trustee with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation;
- (iii) provide to the Debenture Trustee such information/copies of relevant extracts as they may require for the purpose of filing any relevant forms with any Governmental Authority in relation to the Debentures;
- (iv) provide to the Debenture Trustee all such information as may be required by it for the effective discharge of its duties and obligations, including copies of reports, balance sheets, profit and loss account etc.;
- (v) within 45 (forty five) days of the end of each financial quarter or within 7 (seven) days of any relevant meeting of the board of directors, whichever is earlier, furnish reports/quarterly reports to the Debenture Trustee (as may be required in accordance with Applicable Law) containing the following particulars:
  - (A) updated list of the names and addresses of the Debenture Holders along with the number of Debentures held by each Debenture Holder;
  - (B) details of the interest due, but unpaid and reasons thereof; and
  - (C) the number and nature of grievances received from the Debenture Holders and resolved and unresolved by the Issuer along with the reasons

for the same;

- (vi) inform and provide the Debenture Trustee with applicable documents in respect of the following:
  - (1) notice of any Event of Default or potential Event of Default; and
  - (2) any and all information required to be provided to the Debenture Holders under Applicable Law and the listing agreement to be entered into between the Issuer and the BSE; and
- (vii) other than in respect of the Permitted Merger, inform the Debenture Trustee of any amalgamation, demerger, merger or corporate restructuring or reconstruction scheme proposed by the Issuer. PROVIDED THAT the Issuer shall, following the completion of the Permitted Merger, provide such information and documents in respect thereof as may be required by the Debenture Trustee.

(h) ***Redressal of Grievances***

The Issuer shall promptly and expeditiously, and in any case within 21 days from the receipt (or within such other time period that may be prescribed under Applicable Law) attend to and redress the grievances, if any, of the Debenture Holders. The Issuer further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance.

(i) ***Comply with Investor Education and Protection Fund Requirements***

The Issuer shall comply with the provisions of the Companies Act relating to transfer of unclaimed/ unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund ("IEPF"), if applicable to it. The Issuer hereby further agrees and undertakes that until the Final Settlement Date it shall abide by the regulations, rules or guidelines/listing requirements if any, issued from time to time by the Ministry of Corporate Affairs, RBI, SEBI or any other competent Governmental Authority.

(j) ***Corporate Governance; Fair Practices Code***

The Issuer shall comply with any corporate governance requirements applicable to the Issuer (as may be prescribed by the RBI, SEBI, any stock exchange, or any Governmental Authority) and the fair practices code prescribed by the RBI.

(k) ***Further Assurances***

The Issuer shall:

- (i) provide details of any litigation, arbitration or administrative proceedings that if determined adversely could have a Material Adverse Effect on the Issuer;
- (ii) comply with any monitoring and/or servicing requests from Debenture Holders/Debenture Trustee;
- (iii) execute and/or do, at its own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or pursuant to Applicable Law, require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- (iv) promptly obtain, comply with and maintain all necessary authorisations, licenses, consents and approvals required under Applicable Law (including to enable it to perform its obligations under the Transaction Documents, to ensure the legality, validity, enforceability or admissibility of the Transaction Documents);
- (v) comply with:
  - (A) all Applicable Law, as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time;
  - (B) the Debenture Trustees Regulations as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 of the Debenture Trustees Regulations thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures;
  - (C) the provisions of the Companies Act in relation to the Issue;
  - (D) procure that the Debentures are rated and continue to be rated until the Debentures are fully redeemed; and
  - (E) if so required, the requirements prescribed under Chapter XI (*Operational framework for transactions in defaulted debt securities post maturity date/ redemption date*) of the Listed NCDs Master Circular, and provide all details/intimations to the Debenture Trustee, the Depositories, and BSE (as the case may be) in accordance with the aforementioned requirements; and
- (vi) it will provide all necessary assistance and cooperation to, and permit the Debenture Trustee to conduct periodical checks, verifications, due diligence and other inspections (at such frequency and within such timelines as may be determined by the Debenture Trustee) in respect of the books and accounts of the Issuer, as may be required by the Debenture Trustee to comply with its obligations under Applicable Law.

(l) ***Execution of Transaction Documents***

In the event of any delay in the execution of any Transaction Document (including the DTD), the Issuer shall, at the option of the Debenture Holders, either:

- (i) if so required by the Debenture Holders, refund the Application Money together with interest (including interest accrued) at the Interest Rate/dischARGE the Obligations; and/or
- (ii) pay to the Debenture Holders additional interest at the rate of 2% (two percent) per annum on the Outstanding Principal Amounts in addition to the Interest Rate until the relevant Transaction Document is duly executed in terms thereof or the Debentures are fully redeemed (whichever is earlier).

(m) ***Internal Control***

The Issuer shall maintain internal control for the purpose of:

- (i) preventing fraud on amounts lent by the Issuer; and

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- (ii) preventing money being used for money laundering or illegal purposes.

(n) **Register of Debenture Holders**

The Issuer shall maintain a register of the Debenture Holders including addresses of the Debenture Holders, record of subsequent transfers and changes of ownership.

(o) **Books and Records**

The Issuer shall maintain its accounts and records in accordance with Applicable Law.

(p) **Access; Periodic Portfolio Monitoring**

To the extent required by the Debenture Trustee to comply with its obligations under Applicable Law, the Issuer shall provide the Debenture Trustee access to and/or permit them to visit, examine and inspect the books and records, documents, accounts, office premises, and the premises of the Issuer.

(q) **Listing and Monitoring Requirements**

The Issuer shall comply with all covenants, undertakings and requirements set out in Section 7.7 (*Listing and Monitoring Requirements*) below.

7.5. **Other Undertakings**

Each of the requirements prescribed and actions mentioned in this Section 7.5 (*Other Undertakings*) are subject to Applicable Law and the prior approval of the RBI (if so required).

The Issuer shall not take any action in relation to the items set out in this Section 7.5 (*Other Undertakings*) without the prior written consent of the Debenture Trustee. The Debenture Trustee shall provide its prior written approval/dissent within 7 (seven) Business Days after receiving a request to provide its approval. PROVIDED THAT such request must be accompanied by all relevant information substantiating the request to enable the Debenture Holders to make a reasoned decision. The Debenture Trustee shall take the consent of the Majority Debenture Holders prior to any such approval/dissent.

(a) **Change of Business /Constitutional Documents**

- (i) any material change in the general nature of its business from that which is permitted as a non-banking financial company registered with the RBI;
- (ii) undertake any new major businesses except in relation to financial services or diversify its business outside the financial services sector. It is hereby clarified that the foregoing shall not impact the businesses being conducted/carried out by the Issuer as on the Effective Date; or
- (iii) any changes or amendments to its Constitutional Documents other than any changes in relation to the following:
  - (A) any increase in authorised share capital of the Issuer and/or any re-classification of the share capital of the Issuer;
  - (B) any appointment of any observer on the board of directors of the Issuer on behalf of any investor;
  - (C) any appointment of any nominee director on the board of directors of the Issuer on behalf of any investor; and

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- (D) any change in the Constitutional Documents as a result of any amendment in the shareholders' agreement entered with any shareholder/investor.

PROVIDED THAT the change(s) or amendment(s) referred to in (A) to (D) above shall not be prejudicial to the interests or rights of the Debenture Holders;

(b) ***Dividend***

declare or pay any dividend to its shareholders (including holders of preference shares) during any financial year unless it has paid or made arrangements to pay all the dues to the Debenture Holders/Debenture Trustee up to the date on which the dividend is proposed to be declared or paid or has made satisfactory provisions thereof;

(c) ***Merger, Consolidation, etc.***

other than in respect of the Permitted Merger, enter into any merger, acquisition, restructuring, de-merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction;

(d) ***Change in Capital Structure***

- (i) other than pursuant to the Permitted Merger, permit or undertake any change in capital structure that would lead to a reduction in the paid-up capital or authorized capital of the Issuer;
- (ii) other than pursuant to the Permitted Merger, purchase, buyback, or retire any of its issued shares or reduce its share capital or resolve to do any of the foregoing;

(e) ***Disposal of Assets***

- (i) sell, transfer, or otherwise dispose of in any manner whatsoever any material Assets, business or division of the Issuer (whether in a single transaction or in a series of transactions (whether related or not) or any other transactions which cumulatively have the same effect). PROVIDED THAT the foregoing shall not apply to any securitization of assets, portfolio sale of assets, sale of assets to any asset reconstruction companies (ARCs), or any repo/repurchase of assets transactions undertaken by the Issuer in its ordinary course of business; or
- (ii) without prejudice to paragraph (i) above, sell any Assets, business, or division of the Issuer that has the effect of exiting or re-structuring of the business of the Issuer from that existing as of the Effective Date; or

(f) ***Change in financial year***

change its financial year end from March 31 of each year to any other date, unless such change is required pursuant to Applicable Law.

7.6. **Events of Default and Remedies**

7.6.1. **Consequences and Remedies**

If one or more events specified in Section 7.6.2 (*Events of Default*) occur(s), the Debenture Trustee may, on the instructions of the Majority Debenture Holders in accordance with the Transaction Documents, by a notice in writing to the Issuer, subject to Applicable Law and with the prior approval of the RBI (if so required), initiate the following course of action:

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- (a) require the Issuer to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest and other costs, charges and expenses incurred under or in connection with the DTD and the other Transaction Documents;
- (b) accelerate the redemption of the Debentures and declare all or any of the Debentures to be due and payable immediately or on such date as may be prescribed by the Debenture Trustee, whereupon it shall become so due and payable;
- (c) take any actions in respect of Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular in accordance with the provisions of the Transaction Documents;
- (d) take all such other action as is expressly permitted under the DTD or in the other Transaction Documents or permitted under Applicable Law (including pursuant to the IBC, the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time); and/or
- (e) exercise any other right that the Debenture Trustee may have under Applicable Law for the purposes of protecting the interests of the Debenture Holders.

#### 7.6.2. Events of Default

(a) ***Payment Default***

The Issuer does not pay on any Due Date any amount payable pursuant to the DTD and the Debentures at the place and in the currency in which it is expressed to be payable, unless its failure to pay is caused by technical error and payment is made within 5 (five) Business Days of such Due Date.

(b) ***Insolvency / Inability to Pay Debts***

- (i) The Issuer is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts by reason of actual or anticipated financial difficulties.
- (ii) A petition for reorganization, arrangement, adjustment, winding up or composition of debts of the Issuer in respect of the Issuer (voluntary or otherwise) have been admitted by any competent court or tribunal, and such proceedings are not contested by the Issuer for staying or such proceedings are not quashed and/or dismissed within 90 (ninety) days.
- (iii) Any proceedings for liquidating the Issuer have been admitted by any competent court or tribunal.
- (iv) A moratorium or other protection from creditors is declared or imposed on the Issuer in respect of any Financial Indebtedness of the Issuer.

(c) ***Business***

The Company, without obtaining the prior consent of the Majority Debenture Holders, ceases to carry on its business as a non-banking financial company, or gives notice of its intention to do so. PROVIDED THAT the foregoing shall not apply in case the Company, in the course of its business, discontinues providing loans or engaging in any business line or business vertical any product(s) that are subsisting as of the Effective Date or at any time thereafter.

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

(d) **Misrepresentation**

Any representation or warranty made by the Issuer in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/Debenture Holders by the Issuer shall prove to have been incorrect, false or misleading in any material respect when made or deemed made.

(e) **Material Adverse Effect**

The occurrence of a Material Adverse Effect, in the sole determination of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders).

(f) **Cross Default**

(i) The Issuer:

(iii) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created; or

(iv) defaults in the observance or performance of any agreement relating to any Financial Indebtedness, the effect of which is to permit the holders of such Financial Indebtedness to cause any such Financial Indebtedness to become due prior to its stated maturity, and such Financial Indebtedness of the Issuer is declared to be due and payable.

(ii) Any acceleration of any Financial Indebtedness of the Issuer, wherein any Financial Indebtedness of the Issuer shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof, whether as a result of the occurrence of an event of default or the breach of any covenants (howsoever described and/or by whatever name called) under any financing documents that the Issuer is party to.

(g) **Liquidation, Insolvency or Dissolution of the Issuer / Appointment of Receiver, Resolution Professional or Liquidator**

Any corporate action, declaration of, legal proceedings or other procedure or step is taken in relation to:

(i) the suspension of payments, a moratorium of any Financial Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer;

(ii) a composition, compromise, assignment or arrangement with any creditor of the Issuer otherwise than in accordance with the terms of the DTD;

(iii) the appointment of a liquidator, provisional liquidator, supervisor, receiver, resolution professional, administrative receiver, administrator, compulsory manager, trustee, or other similar officer in respect of the Issuer or any of the Issuer's assets or any part of the undertaking of the Issuer;

(iv) any reference or enquiry or proceedings commenced in respect of the Issuer before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets");

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- (v) the commencement of an insolvency resolution process under the IBC read together with the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time, or under any other Applicable Law, in respect of the Issuer;
- (vi) enforcement of any security over any Assets of the Issuer or any analogous procedure or step is taken in any jurisdiction; or
- (vii) any other event occurs or proceeding instituted under any Applicable Law that would have an effect analogous to any of the events listed in (i) to (vi) above.

(h) ***Creditors' Process and Expropriation***

- (i) Any expropriation, attachment, garnishee, sequestration, distress or execution affects any Assets of the Issuer that has or is likely to have a Material Adverse Effect, and is not discharged or stayed within 90 (ninety) days or as otherwise provided in any order of any competent court or tribunal relating to the aforementioned actions.
- (ii) Any Governmental Authority, or any person by or under the authority of any Governmental Authority:
  - (A) condemns, seizes, nationalises, expropriates or compulsorily acquires all or a material part of the undertaking, assets, rights or revenues of the Issuer;
  - (B) has assumed custody or control of all or substantial part of the business or operations of the Issuer (including operations, properties and other assets); or
  - (C) has taken any action for the dissolution of the Issuer, or any action that would prevent the Issuer, their members, or their officers from carrying on their business or operations or a substantial part thereof.

(i) ***Judgment Defaults***

One or more judgments or decrees are entered/passed against the Issuer involving a liability (not paid or not covered by a reputable and solvent insurance company) which, has or is likely to have a Material Adverse Effect, provided such judgments or decrees are either final and non-appealable or have not been vacated, discharged or stayed pending appeal for any period of 90 (ninety) calendar days.

(j) ***Transaction Documents***

The DTD or any other Transaction Document (in whole or in part), is terminated or ceases to be effective or ceases to be in full force or no longer constitutes valid, binding and enforceable obligations of the Issuer.

(k) ***Unlawfulness***

It is or becomes unlawful or illegal for the Issuer to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Issuer under any Transaction Document are not or cease to be valid, binding or enforceable.

(l) ***Repudiation***

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

The Issuer repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.

(m) ***Breach of other Covenants***

Any breach of any covenant or undertaking of the Issuer in the Transaction Documents (other than as set out in paragraphs (a) to (l) above), which, to the extent capable of remedy in the sole opinion of the Debenture Trustee (acting on the instructions of the Debenture Holders), is not remedied within such time period as may be prescribed by the Debenture Trustee (acting on the instructions of the Debenture Holders).

7.6.3. **Notice on the Occurrence of an Event of Default**

- (a) If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default, has occurred, the Issuer shall, forthwith give notice thereof to the Debenture Holders and the Debenture Trustee in writing specifying the nature of such event or Event of Default.
- (b) In addition to the foregoing, in accordance with Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular, the Debenture Trustee shall send a notice to the Debenture Holders within 3 (three) days of the occurrence of an Event of Default, in accordance with the mode of delivery of notice mentioned therein, convening a meeting within 30 (thirty) days of the occurrence of an Event of Default. PROVIDED THAT if the Event of Default is cured or rectified within the intervening period between the date of the aforementioned notice from the Debenture Trustee to the date the aforementioned meeting is convened, no such meeting of the Debenture Holders shall be required. The Debenture Trustee shall maintain the details of the providing and receipt of such notice in accordance with Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular.

7.6.4. **Additional obligations of the Debenture Trustee**

In respect of Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular, the entering into, and the performance of any obligations under any inter-creditor agreement (pursuant to the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets") or any resolution plan shall be subject to the terms of Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular (including without limitation, the resolution plan being finalised within the time period prescribed in Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular, and exiting of the inter-creditor agreement on the occurrence of the matters prescribed under Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular).

7.7. **Listing and Monitoring Requirements**

(a) ***Monitoring***

The Issuer will provide all such assistance to the Debenture Trustee as may be required by it, to carry out the necessary continuous and periodic due diligence and monitor the security cover (if any) in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the SEBI Debenture Trustees Master Circular, the Issuer undertakes and agrees to provide all relevant documents/information, as applicable, to enable the Debenture Trustee to submit the following reports/certifications to BSE in accordance with the SEBI Debenture Trustees Master Circular:

- (i) (to the extent applicable) a security cover certificate on a quarterly basis, within (i) 75 (seventy five) days from each Quarterly Date (other than March 31 of the

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

relevant calendar year), and (ii) 90 (ninety) days from March 31 of the relevant calendar year or such other timelines as may be prescribed under Applicable Law, in the format prescribed in the SEBI Debenture Trustees Master Circular;

- (ii) (to the extent applicable) a statement of the value of the pledged securities on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant calendar year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law;
- (iii) (to the extent applicable) a statement of the value of the debt service reserve account or any other form of security offered on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant calendar year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law;
- (iv) (to the extent applicable) a net worth certificate of the guarantor who has provided a personal guarantee in respect of the Debentures on a half yearly basis, within 75 (seventy five) days from the end of each financial half-year or such other timelines as may be prescribed under Applicable Law;
- (v) (to the extent applicable) the financials/value of guarantor prepared on the basis of audited financial statement etc. of the guarantor who has provided a corporate guarantee in respect of the Debentures on an annual basis, within 75 (seventy five) days from the end of each Financial Year or within such other timelines as may be prescribed under Applicable Law; and
- (vi) (to the extent applicable) the valuation report and title search report for the immovable/movable assets, as applicable, once in 3 (three) years, within 75 (seventy five) days from the end of the Financial Year or such other timelines as may be prescribed under Applicable Law.

(b) ***Recovery Expense Fund***

- (i) The Issuer hereby undertakes and confirms that it shall, within the time period prescribed under Chapter IV (Recovery Expenses Fund) of the SEBI Debenture Trustees Master Circular, establish, maintain and utilize the Recovery Expense Fund in such manner/mode as is prescribed under Chapter IV (Recovery Expenses Fund) of the SEBI Debenture Trustees Master Circular, to enable the Debenture Trustee to take prompt action in relation to the enforcement/legal proceedings under the Transaction Documents.
- (ii) The Issuer shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the designated stock exchange and submit relevant documents evidencing the same to the Debenture Trustee from time to time.
- (iii) The Issuer shall ensure that any bank guarantees provided in respect of the Recovery Expense Fund remain valid for a period of 6 (six) months following the maturity date of the Debentures. The Issuer shall keep the bank guarantees in force and renew the bank guarantees at least 7 (seven) working days before its expiry, failing which the designated stock exchange may invoke such bank guarantee.
- (iv) On the occurrence of any Event of Default, the Debenture Trustee shall obtain the consent of Debenture Holders for enforcement/legal proceedings and shall inform the designated stock exchange of such occurrence and the obtaining of any consent in respect thereof (if any). The amount lying in the Recovery Expense Fund

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

may be released to the Debenture Trustee within such time period and such manner as may be prescribed under Chapter IV (Recovery Expenses Fund) of the SEBI Debenture Trustees Master Circular. The Debenture Trustee shall keep a proper account of all expenses incurred out of the funds received from Recovery Expense Fund towards enforcement/legal proceedings under the Transaction Documents.

- (v) The amounts in the Recovery Expense Fund shall be refunded to the Issuer on repayment/redemption of the Debentures, following which a "no objection certificate" shall be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee shall ensure that there is no default on any other listed debt securities of the Issuer before issuing such "no objection certificate".

(c) ***Requirements under the SEBI LODR Regulations***

The Issuer hereby further agrees, declares and covenants with the Debenture Trustee that the Issuer shall comply with the relevant provisions of the SEBI LODR Regulations applicable to listed entities which have listed their non-convertible securities, including (to the extent applicable), the provisions of Chapter II (*Principles governing disclosures and obligations of listed entity*), Chapter III (*Common obligations of listed entities*), Chapter IV (*Obligations of a listed entity which has listed its specified securities and non-convertible debt securities*), and Chapter V (*Obligations of listed entity which has listed its non-convertible securities*) of the SEBI LODR Regulations.

(d) ***Due Diligence***

- (i) The Issuer acknowledges, understands, and confirms that:

- (A) the Debenture Trustee shall carry out due diligence on continuous basis to ensure compliance by the Issuer, with the provisions of the Companies Act, the SEBI LODR Regulations, the Debt Listing Regulations, the SEBI Listed Debentures Circulars, the Debenture Trustees Regulations, the listing agreement of the stock exchange(s) where the Debentures are listed, the Transaction Documents, and any other regulations issued by SEBI pertaining to the Issue;
- (B) for the purposes of carrying out the due diligence as required in terms of the SEBI Listed Debentures Circulars, the Debenture Trustee, either through itself or its agents, advisors, consultants, shall have the power to examine the books of account of the Issuer and to have the Issuer's assets inspected by its officers and/or external auditors, valuers, consultants, lawyers, technical experts, management consultants appointed by the Debenture Trustee; and
- (C) the Debenture Trustee may, as may be required by the Debenture Trustee to comply with its obligations under Applicable Law, at any time through its authorized representatives and agents, inspect books of account, records, registers of Issuer and the trust property (as set out in the DTD) to the extent necessary for discharging its obligations. The Issuer shall provide full and unimpeded access to the records, registers and books of accounts and facilitate in the inspection and due diligence process. Any fees, costs expenses incurred in conducting such inspection/due diligence process shall be fully borne by the Issuer. In the event, any fees, costs expenses are borne by the Debenture Trustee, the above shall be reimbursed forthwith by the Issuer upon request.

- (ii) The Issuer shall submit documents/ information as the Debenture Trustee may

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

require to conduct continuous and periodical due diligence and monitoring of the assets on which security interest/charge is created (if any), which shall, *inter alia*, include:

- (A) periodical status/performance reports from the Issuer within 7 (seven) days of the relevant board meeting of the Issuer or within 45 (forty five) days of the respective quarter, whichever is earlier;
  - (B) details with respect to defaults, if any, with regard to payment of interest or redemption of Debentures;
  - (C) details with respect to the implementation of the conditions regarding creation of the security (to the extent applicable) for the Debentures, debenture redemption reserve and Recovery Expense Fund;
  - (D) (to the extent applicable) details with respect to the assets of the Issuer and of the guarantors to ensure that they are sufficient to discharge the interest and principal amount at all times and that such assets are free from any other encumbrances except those which are specifically agreed to by the Debenture Holders;
  - (E) reports on the utilization of funds raised by the issue of Debentures;
  - (F) details with respect to conversion or redemption of the Debentures;
  - (G) (to the extent applicable) details with respect to dispatch of the debenture certificates and interest warrants, credit of the debentures in the demat account of the Debenture Holders and payment of amounts upon redemption of Debentures to the Debenture Holders due to them within the stipulated time period in accordance with the Applicable Law;
  - (H) (to the extent applicable) reports from the lead bank regarding the progress of the project relating to the proceeds of the Issue;
  - (I) details regarding monitoring of utilisation of funds raised in the issue of the Debentures;
  - (J) (to the extent applicable) certificate from the statutory auditors of the Issuer (A) in respect of utilisation of funds during the implementation period of the project relating to the proceeds of the Issue, and (B) in the case of Debentures issued for financing working capital, at the end of each accounting year; and
  - (K) such other documents or information as may be required by the Debenture Trustee in accordance with the Applicable Law.
- (iii) Without prejudice to any other provision of the DTD and the other Transaction Documents, the Issuer shall:
- (A) provide such documents/information and assistance to the Debenture Trustee as may be required by the Debenture Trustee to carry out the necessary due diligence and monitor the security cover (if any) on a quarterly basis in the manner as may be specified by SEBI from time to time;
  - (B) to the extent applicable, submit a certificate from the statutory auditor on a half-yearly basis, regarding the maintenance of security cover (if any)

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

in accordance with the terms of the Debt Disclosure Documents and the other Transaction Documents including compliance with the covenants of the Debt Disclosure Documents and the other Transaction Documents in the manner as may be specified by SEBI from time to time;

- (C) submit the following reports/certification (to the extent applicable) to the Debenture Trustee within the timelines mentioned below:

REPORTS/CERTIFICATES	TIMELINES FOR SUBMISSION REQUIREMENTS TO THE DEBENTURE TRUSTEE	TIMELINE FOR SUBMISSION OF REPORTS/CERTIFICATIONS BY DEBENTURE TRUSTEE
(To the extent applicable) Security cover certificate	Quarterly basis within 60 (sixty) days from each Quarterly Date or such other timelines as prescribed under Applicable Law or as may be mutually agreed between the Issuer and the Debenture Trustee.	Quarterly basis within (A) 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant calendar year), and (B) 90 (ninety) days from March 31 of the relevant calendar year or such other timelines as may be prescribed under Applicable Law.
(To the extent applicable) A statement of value of pledged securities	Quarterly basis within 45 (forty five) days from each Quarterly Date or such other timelines as prescribed under Applicable Law or as may be mutually agreed between the Issuer and the Debenture Trustee.	Quarterly basis within (A) 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant calendar year), and (B) 90 (ninety) days from March 31 of the relevant calendar year or such other timelines as may be prescribed under Applicable Law.
(To the extent applicable) A statement of value for Debt Service Reserve Account or any other form of security offered	Quarterly basis within 45 (forty five) days from each Quarterly Date or such other timelines as prescribed under Applicable Law or as may be mutually agreed between the Issuer and the Debenture Trustee.	Quarterly basis within (A) 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant calendar year), and (B) 90 (ninety) days from March 31 of the relevant calendar year or such other timelines as may be prescribed under Applicable Law.
(To the extent applicable) Net worth certificate of guarantor (secured by way of personal guarantee)	Half yearly basis within such timelines as prescribed under Applicable Law or as may be mutually agreed between the Issuer and the Debenture Trustee.	Half yearly basis within 75 (seventy five) days from the end of each financial half-year or such other timelines as may be prescribed under Applicable Law.
(To the extent applicable) Financials/value of guarantor prepared on basis of audited financial statement etc. of the guarantor (secured by way of corporate guarantee)	Annual basis within such timelines as prescribed under Applicable Law or as may be mutually agreed between the Issuer and the Debenture Trustee.	Annual basis within 75 (seventy five) days from the end of each Financial Year or such other timelines as may be prescribed under Applicable Law.
(To the extent applicable) Valuation report and title search report for the	Within such timelines as prescribed under Applicable Law or as may	Once in 3 (three) years, within 75 (seventy five) days from the end of the Financial Year

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

REPORTS/CERTIFICATES	TIMELINES FOR SUBMISSION REQUIREMENTS TO THE DEBENTURE TRUSTEE	TIMELINE FOR SUBMISSION OF REPORTS/CERTIFICATIONS BY DEBENTURE TRUSTEE
immovable/movable assets, as applicable	be mutually agreed between the Issuer and the Debenture Trustee.	or such other timelines as may be prescribed under Applicable Law.

- (D) comply with all requirements applicable to it under the SEBI Debenture Trustees Master Circular, and provide all documents/information as may be required in accordance with the SEBI Debenture Trustees Master Circular.

(e) **Others**

- (i) The Issuer shall ensure due compliance and adherence to the SEBI Listed Debentures Circulars in letter and spirit.
- (ii) To the extent applicable and required in terms of Chapter X (Breach of Covenants, Default and Remedies) of the SEBI Debenture Trustees Master Circular, the Debenture Trustee shall execute an "inter creditor agreement" in the manner prescribed under Chapter X (Breach of Covenants, Default and Remedies) of the SEBI Debenture Trustees Master Circular.
- (iii) To the extent required/applicable, the Issuer shall provide intimation to the Debenture Trustee regarding (i) any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Issuer, and (ii) all covenants of the issue (including side letters, event of default provisions/clauses etc.).
- (iv) The Issuer shall promptly disclose and furnish to the Debenture Trustee, all documents/ information about or in relation to the Issuer or the Debentures, as requested by the Debenture Trustee to fulfil its obligations hereunder or to comply with any Applicable Law, including in relation to filing of its reports/ certification to stock exchange within the prescribed timelines.
- (v) The Issuer and the Debenture Trustee hereby agree and covenant to comply with the requirements prescribed under the SEBI Debenture Trustees Master Circular in respect of the Debentures and the transactions contemplated in the Transaction Documents.

## SECTION 8: OTHER INFORMATION AND APPLICATION PROCESS

Please refer the application procedure set out in Section 8 of the Key Information Document. Certain additional details are set out below.

### 8.1 Issue Procedure

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the Applicant's bank, type of account and account number must be duly completed by the Applicant. This is required for the Applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

The Applicant should transfer payments required to be made in any relation by EFT/RTGS, to the bank account as per the details mentioned in the Application Form.

The subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Requirements by placing bids on the EBP Platform during the Issue period. The Issuer will make the bidding announcement on the EBP Platform at least 1 (one) Business Day before initiating the bidding process in accordance with the EBP Requirements. In case the Eligible Investors are not registered on the EBP Platform, they will have to register themselves as an "investor" on the EBP Platform (as a one-time exercise) and also complete the mandatory "know your customer" verification process. The Eligible Investors should also refer to the operational guidelines of the relevant EBP in this respect. The disclosures required pursuant to the EBP Requirements are set out herein below:

<b>Details of size of issue including green shoe option, if any and a range within which green shoe may be retained (if applicable)</b>	Re-issue of 5,000 (Five Thousand) Rated, Listed, Subordinated, Unsecured, Taxable, Redeemable, Transferable, Non-Convertible Debentures of Face Value of Rs. 1,00,000/- (Indian Rupees One Lakhs Only) Each, Aggregating to Rs. 50,00,00,000/- (Indian Rupees Fifty Crores Only), For Cash at Par on A Private Placement Basis ("The Issue")  <b>Anchor Portion:</b> N.A.
<b>Interest Rate Parameter</b>	Fixed coupon (being, 9.50% (nine decimal five Zero percent) per annum, payable annually (fixed)).
<b>Bid opening and closing date</b>	Bid opening date: September 27, 2024  Bid closing date: September 27, 2024
<b>Minimum Bid Lot</b>	INR 1,00,00,000 (Indian Rupees One Crore) (being 100 (one hundred) Debentures) and in multiples of 1 (one) Debenture thereafter.
<b>Manner of bidding in the Issue</b>	Open Book Bidding
<b>Manner of allotment in the Issue</b>	Multiple Yield Allotment

<b>Manner of settlement in the Issue</b>	Pay-in of funds through ICCL.  The pay-in of the Application Money for the Debentures shall be made by way of transfer of funds from the bank account(s) of the Eligible Investors (whose bids have been accepted) as registered with the Electronic Book Provider into the account of the ICCL, as specified in this regard below.
<b>Settlement Cycle</b>	T+1, where "T" refers to the date of bidding.  Settlement of the Issue will be on September 30, 2024.
<b>Pay-in date</b>	September 30, 2024 (i.e., T+1, where "T" refers to the date of bidding)
<b>Anchor Portion Details (if any)</b>	N.A.

**Process flow of settlement:**

The Eligible Investors whose bids have been accepted by the Issuer and to whom a signed copy of this Key Information Document along with the PPOA have been issued by the Issuer and who have submitted/shall submit the Application Form ("**Successful Bidders**"), shall make the payments in respect of the Application Money in respect of the Debentures towards the allocation made to them, into the bank account of the ICCL, the details of which are as set out below:

Name of Bank	ICICI Bank
IFSC Code	ICIC0000106
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

Name of Bank	HDFC Bank
IFSC Code	HDFC0000060
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

The pay-in of the Application Money by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by them in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will be refunded and no allotment will be made against such payments. Upon the transfer of funds into the aforesaid account of ICCL and the Issuer confirming its decision to proceed with the allotment of the Debentures in favour of the Successful Bidders to the ICCL, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of Debentures and credit of the demat letter of allotment into the relevant demat account of the Successful Bidders through the R&T Agent, the R&T Agent shall provide corporate action file along with all requisite documents to the relevant Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Debentures and the credit of the Debentures into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Debentures from the aforesaid account of ICCL shall be released into the Issuer's bank account, the details of which are as set out below:

Beneficiary Name	<b>Hinduja Leyland Finance Limited</b>
Bank Account No.	30670258589
LEI No	335800BJQ3VF8W4HHQ12
IFSC Code	SBIN0009999
Bank Name	State Bank of India
Branch Address	State Bank of India CAG Branch 3rd Floor, Sigappi Aachi Buildings 18/3 Rukmani Lakshmipathi Road Chennai – 600 008

It must be noted that all funds pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties will be applicable as specified by the EBP Requirements and other Applicable Law.

## 8.2 Eligible Investors should refer to the Operational Guidelines

The details of the Issue shall be entered on the EBP Platform by the Issuer in accordance with the EBP Requirements and the operational guidelines of the relevant EBP. The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the EBP Platform.

## 8.3 Application Procedure

The Issue will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule, and the procedure will be subject to the EBP Requirements. Where an Eligible Investor (as defined below) is participating/bidding on the EBP Platform through an arranger or a custodian, such Eligible Investor must follow, and must ensure that the arranger or a custodian representing it, follows, the procedure and the bidding threshold requirements prescribed under the EBP Requirements.

Potential Investors may also be invited to subscribe by way of the Application Form prescribed in this Key Information Document during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive). The Issuer reserves the right to change the issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons.

## 8.4 Fictitious Applications

All fictitious applications will be rejected. Each Eligible Investor shall provide a confirmation to the EBP that it is not using any software, algorithm, "Bots" or other automation tools, which would give unfair access for placing bids on the EBP Platform.

## 8.5 Basis of Allotment

Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. The allotment and settlement amount for the bidders shall be determined in accordance with the EBP Requirements and the operational guidelines issued by the relevant EBP. The bids for the purposes allotment and settlement shall be arranged on a "price time priority" basis in accordance with the EBP Requirements. If two or more bids made by Eligible Investors have the same coupon/price/spread and time, then allotment shall be done on a "pro rata" basis. The investors will be required to remit the funds in the account of the ICCL as well as submit the duly completed Application Form along with other necessary documents to the Issuer by the Deemed Date of Allotment.

If so required by the Issuer, within 1 (one) Business Day of completion of the allotment, to enable the Issuer to comply with the requirements applicable to it under the EBP Requirements, successful Applicants shall provide the following details (in the form specified below) to the Issuer:

Details of Investors to whom allotment has been made			
Name	QIB/ Non-QIB	Category i.e. Scheduled Banks, MF, Insurance Company, Pension Fund, Provident Fund, FPI, PFI, Corporate, Others	Amount invested (in Rs. Crore)

## 8.6 Payment Instructions

The Application Form should be submitted directly. The entire amount of INR 1,00,000 (Indian Rupees One Lakh) per Debenture is payable along with the making of an application. Applicants can remit the application amount on the Pay-in Date in the account of ICCL mentioned under Section 8.1 above.

## 8.7 Eligible Investors

As prescribed in the EBP Requirements, "Qualified Institutional Buyers" or "QIBs" (as defined in the EBP Requirements) and non-QIBs authorized by an issuer to participate on an issuer on the EBP Platform are eligible participants (i.e., bidders) on an EBP Platform to participate in a particular issue on the EBP Platform. In furtherance of the above, to the extent applicable, the following categories of Investors ("**Eligible Investors**"), when specifically approached, and identified upfront by the Issuer, shall be eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them and by completing the participation/nodding requirements prescribed for the EBP Platform and/or by submitting all the relevant documents along with the Application Form:

- (a) Scheduled Commercial Banks
- (b) Financial Institutions
- (c) Insurance Companies
- (d) Banks other than scheduled commercial banks (subject to permission from RBI)
- (e) Mutual Funds
- (f) Companies and bodies corporate authorized to invest in non-convertible debentures
- (g) Provident funds, gratuity, superannuation & pension funds, subject to their investment guidelines and applicable law
- (h) Individual and HUF
- (i) Trust
- (j) Any other person eligible to invest in the Debentures.

potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

By participating/bidding in the EBP Platform, each Eligible Investor represents and confirms that it has completed all enrollment and "know-your-customer" verification and other requirements prescribed under the EBP Requirements in the manner prescribed in the EBP Requirements. Where an Eligible Investor (as defined below) is participating/bidding on the EBP Platform through an arranger or a custodian, such Eligible Investor must follow, and must ensure that the arranger or a custodian representing it, follows, the procedure and the bidding threshold requirements prescribed under the EBP Requirements.

Investors, who are registered on the EBP Platform and are eligible to make bids for the Debentures of the Issuer and to whom allocation is to be made by Issuer pursuant to selection under the electronic book mechanism for issuance of securities on private placement basis in terms of the EBP Requirements and the Electronic Book Providers shall be considered as "identified persons" for the purposes of Section 42(2) of the Companies Act, 2013, to whom the Issuer shall make private placement of the Debentures and only such "identified persons" shall receive a direct communication from the Issuer with offer to subscribe to the Debentures and only such "identified persons" shall be entitled to subscribe to the Debentures.

Additionally, those arrangers/brokers/intermediaries etc. (as per the defined limits under the EBP Requirements) specifically mapped by the Issuer on the EBP Platform are also eligible to bid/apply/invest for this Issue.

All Eligible Investors are required to check and comply with Applicable Law(s) including the relevant rules / regulations / guidelines applicable to them for investing in this Issue of Debentures. The Issuer, is not in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, nor is the Issuer required to check or confirm the above.

Hosting of this Debt Disclosure Documents on the website of the BSE/EBP should not be construed as an offer or an invitation to offer to subscribe to the Debentures and the Debt Disclosure Documents has been hosted only as this is stipulated under the SEBI Debt Listing Regulations read with the EBP Requirements. Eligible Investors should check their eligibility before making any investment.

All Eligible Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

### **8.8 Post-Allocation Disclosures by the EBP**

Upon final allocation by the Issuer, the Issuer shall disclose the relevant details (such as Issue Size, coupon rate, ISIN, number of successful bidders, category of the successful bidder(s), etc.), in accordance with the EBP Requirements and the operational guidelines of the relevant EBP. The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public.

### **8.9 Mode of Transfer/Transmission of Debentures**

The Debentures shall be transferable freely; however, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other applicable laws. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL and CDSL and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the Register of Debenture Holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

### **8.10 Debentures held in Dematerialised Form**

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/EFT/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by EFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

The Debentures since issued in electronic (dematerialized) form, will be governed as per the provisions of the Depository Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL/ Depository Participant from time to time and other applicable laws and rules notified in respect thereof. The Debentures shall be allotted in DEMAT form only.

#### **8.11 Debenture Trustee for the Debenture Holder(s)**

The Issuer has appointed the Debenture Trustee to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee have entered/intend to enter into the Debenture Trustee Agreement and the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and coupon thereon and they will take necessary action, subject to and in accordance with the Debenture Trustee Agreement and the Debenture Trust Deed, at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so. The Debenture Trustee Agreement and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

#### **8.12 Sharing of Information**

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

#### **8.13 Debenture Holder not a Shareholder**

The Debenture Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Act. The Debentures shall not confer upon the Debenture Holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

#### **8.14 Modification of Debentures**

Any other change or modification to the terms of the Debentures and the Transaction Documents shall be undertaken in accordance with the terms of the Transaction Documents .

#### **8.15 Right to accept or reject Applications**

The Board of Directors/Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof.

#### **8.16 Notices**

Any notice in respect of the Debentures may be served by the Issuer upon the Debenture Trustee/Debenture Holders in accordance with the terms of the Transaction Documents.

#### **8.17 Procedure for Applying for Dematerialised Facility**

- a) The applicant must have at least one beneficiary account with any of the DP's of NSDL and CDSL prior to making the application.

- b) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form".
- c) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.
- d) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.
- e) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.
- f) If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.
- g) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.
- h) The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

#### **8.18 Depository Arrangements**

The Issuer shall make necessary arrangement with CDSL and NSDL for issue and holding of Debenture in dematerialised form.

#### **8.19 Market Lot**

The market lot for trading of Debentures will be one Debenture ("Market Lot"). Since the Debentures are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of debentures.

#### **8.20 List of Beneficiaries**

The Issuer shall request the R&T Agent to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of redemption monies.

#### **8.21 Application under Power of Attorney**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the Investor and the tax exemption certificate/document of the Investor, if any, must be lodged along with the

submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

#### **8.22 Procedure for application by Mutual Funds and Multiple Applications**

In case of applications by mutual funds and venture capital funds, a separate application must be made in respect of each scheme of an Indian mutual fund/venture capital fund registered with the SEBI and such applications will not be treated as multiple application, provided that the application made by the asset management company/trustee/custodian clearly indicated their intention as to the scheme for which the application has been made.

The Application Forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:

- a) SEBI registration certificate
- b) Resolution authorizing investment and containing operating instructions
- c) Specimen signature of authorized signatories.

#### **8.23 Documents to be provided by Investors**

Investors need to submit the following documents, as applicable:

- i) Memorandum and Articles of Association or other constitutional documents
- ii) Resolution authorising investment
- iii) Certified true copy of the Power of Attorney to custodian
- iv) Specimen signatures of the authorised signatories
- v) SEBI registration certificate (for Mutual Funds)
- vi) Copy of PAN card
- vii) Application Form (including EFT/RTGS details)

#### **8.24 Applications to be accompanied with Bank Account Details**

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of redemption amount and all other amounts payable to the Debenture Holder(s) through cheque/EFT/RTGS.

#### **8.25 Succession**

In the event of winding up of a Debenture Holder (being a company), the Issuer will recognise the legal representative as having title to the Debenture(s). The Issuer shall not be bound to recognize such legal representative as having title to the Debenture(s), unless they obtain legal representation, from a court in India having jurisdiction over the matter.

The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of such legal representation, in order to recognise any person as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder on the production of sufficient documentary proof and an indemnity.

#### 8.26 Mode of Payment

All payments must be made through cheque(s) demand draft(s), EFT/RTGS as set out in the Application Form .

#### 8.27 Effect of Holidays

Please refer Section 5.34 (*Summary Terms*) above.

#### 8.28 Tax Deductions

- (a) All payments to be made to the Debenture Holders shall be subject to the Income Tax Act, 1961 and any rules and regulations made thereunder. The Debenture Holder shall provide details of tax withholding and any exemptions in respect thereof at least 15 (fifteen) days prior to any record date for any Due Date.
- (b) Details for Submission for 15G / 15 H forms:

Signed form 15G/ 15H needs to submit 15 days before the date of payment of interest to below give address:

Particulars	Contact Details of the Issuer
Name	Hinduja Leyland Finance Limited
Corporate Office Address	27-A, Developed Plot (South Phase), Industrial Estate, Guindy, Chennai - 600032
Contact to	Finance Team
E-mail ID	<a href="mailto:team.treasury@hindujaleylfinance.com">team.treasury@hindujaleylfinance.com</a> <a href="mailto:compliance@hindujaleylfinance.com">compliance@hindujaleylfinance.com</a>
Tel. No.	91 (044) 39252525 / +91 8328623940

#### 8.29 Letters of Allotment

The Issuer shall ensure that the Debentures are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements.

#### 8.30 Record Date

Please refer Section 5.34 (*Summary Terms*) above.

#### 8.31 Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (seven) days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the R&T Agent shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

### **8.32 Interest on Application Money**

Please refer Section 5.34 (*Summary Terms*) above.

### **8.33 PAN Number**

Every applicant should mention its Permanent Account Number ("**PAN**") allotted under Income Tax Act, 1961, on the Application Form and attach a self-attested copy as evidence. Application forms without PAN will be considered incomplete and are liable to be rejected.

### **8.34 Payment on Redemption**

Payment on redemption will be made by way of cheque(s)/redemption warrant(s)/demand draft(s)/credit through RTGS system/funds transfer in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date.

The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL and CDSL and accordingly the account of the Debenture Holder(s) with NSDL and CDSL will be adjusted.

On the Issuer dispatching the amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

**Disclaimer:** Please note that only those persons to whom this Key Information Document has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents / authorizations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to, revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Provisions in respect of investment by investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of investors is required to check and comply with extant rules/regulations/ guidelines, etc. governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

## SECTION 9: UNDERTAKINGS

### 9.1 UNDERTAKING BY THE ISSUER

- (a) Investors are advised to read the risk factors (set out in Section 3) carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities/Debentures have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document.

Specific attention of investors is invited to the statement of 'Risk factors' under the section 3 'General Risks'.

- (b) The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Key Information Document contains all information with regard to the Issuer and the Issue, that the information contained in the offer document/General Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Key Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.
- (c) The Issuer has no side letter with any debt securities holder except the one(s) disclosed in this Key Information Document. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed.
- (d) The Issuer hereby undertakes and confirms that the following (as set out in Regulation 5 of the Debt Listing Regulations) are not applicable to the Issuer as on the date of this Key Information Document:
- (i) the Issuer, any of its promoters, promoter group or directors are debarred from accessing the securities market or dealing in securities by the Board;
  - (ii) any of the promoters or directors of the Issuer is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by the Board;
  - (iii) the Issuer or any of its promoters or directors is a wilful defaulter;
  - (iv) any of the promoters or whole-time directors of the issuer is a promoter or whole-time director of another company which is a wilful defaulter;
  - (v) any of its promoters or directors is a fugitive economic offender; or
  - (vi) any fine or penalties levied by the Board /Stock Exchanges is pending to be paid by the Issuer at the time of filing this Key Information Document.

### 9.2 ATTESTATION BY DIRECTORS

The directors of the Issuer hereby attest as follows:

- (a) The Issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder.
- (b) The compliance with the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government.
- (c) The monies received under the offer shall be used only for the purposes and objects indicated in the Offer document/General Information Document.
- (d) Whatever is stated in this form/General Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form/General Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.
- (e) General Risk:

Investment in non-convertible securities is risky and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 3 of this Key Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

#### **UNDERTAKING ON SECURITY**

Not applicable. The Debentures are unsecured and subordinated debt instruments.

## SECTION 10: SPECIFIC DISCLOSURES REQUIRED FROM NBFCs

**\*\*The information under this Section 10 has been provided in accordance with the audited financial statements for the financial year ended March 31, 2023 as the audited financial statements of the Issuer for the Financial Year ended March 31, 2024 are not available as of the date of this KID. The relevant details will be submitted by the Issuer to BSE within the time period prescribed under the LODR Regulations.**

A.	Details with regard to the lending done by the Issuer out of the issue proceeds of debt securities in last three years, including details regarding the following
(a)	<p><b>Lending Policy: Should contain overview of origination, risk management, monitoring and collections:</b></p> <p><b>1. Objectives of the Loan Policy</b> The broad objectives of the Company's Loan Policy are:</p> <ol style="list-style-type: none"> <li>To provide general guidelines for making loan decisions and shaping the overall portfolio of the Company with minimal credit risks</li> <li>To build and sustain a high-quality credit portfolio well diversified in terms of clients, markets and products with an acceptable risk adjusted yield</li> <li>To strengthen the risk management systems for appropriate pricing of credit risks and ensure close monitoring of the quality of the portfolio.</li> </ol> <p>Detailed guidelines for the actual implementation of the Policy are to be found in the Operations/Procedures Manual issued by the Management for the different products offered by the Company.</p> <p><b>2. Products on offer</b> The main products offered by the Company as of now are the following:</p> <ul style="list-style-type: none"> <li>Term Loans for acquiring New Vehicles/ Equipment comprising</li> <li>Term Loans for acquiring Used Assets</li> <li>Refinance against Existing Vehicles</li> <li>Trade Advance/Inventory Funding</li> <li>Wholesale Lending Portfolio</li> <li>Direct Assignment/ PTCs/ Subordinated Debt/Tier II Capital</li> <li>Loan Against Property</li> <li>Unsecured Loan</li> <li>Lending to other NBFCs/NBFC-MFI/HFC for On-Lending</li> </ul> <p><b>3. Target Customer</b></p> <ul style="list-style-type: none"> <li>First Time Buyer</li> <li>Retail Segment</li> <li>Captive Segment</li> <li>Strategic or Large Fleet Operator</li> </ul> <p><b>4. Origination</b></p> <ul style="list-style-type: none"> <li>Company having presence in 23 states and sourcing of business is done respective sourcing branch typically through: <ul style="list-style-type: none"> <li>Market Intelligence</li> <li>Existing Customer Network</li> <li>Dealer referral/ other referral arrangements</li> <li>Direct Sales Executive</li> </ul> </li> <li>Application process initiates by filling application booklet, contact point verification, collection of KYCs and other documents, Credit Bureau check, field investigation etc.</li> </ul>

- Credit appraisal is done by Credit team, The main objective of the appraisal is to find out whether the borrower would be a worthy customer who will be able to utilize the loan properly and generate sufficient surplus to repay the loan.
- Preparation of Personal Discussion Diary (PDD) & Credit Appraisal Memo (CAM) by Marketing Executive (Maker) after collection of pre-approval documents, Branch Manager or location manager' to review (as Checker) the proposal and add his comments.
- Collection of instalments on monthly basis on the due dates for billing cases. For full Post- Dated Cheques (PDC) cases, PDCs to be sent to RMC for safekeeping and deposit on the appointed date.

## **5. Risk Management**

- Each proposal is considered on its own merits, Company has its bench mark for key parameter while doing credit risk appraisal.
- While initiating application process below in the system below credit appraisal process followed by Credit Manager
  - KYC norms as per RBI requirements should be complied with
  - Borrower's name should not appear in the Willful defaulter's list/Suits Filed List of RBI
  - Borrower's credentials should be verified with Credit Bureau irrespective of the loan amount
  - Borrower should not be a director of the Company or any Group Company.
  - The borrower should not have any nexus with political, police or anti-social elements.
  - A declaration should be obtained from the borrower to ascertain whether he is a relative of the Company's directors/Senior executives, a director of any other Bank or a relative of a director of any other Bank.
  - The appraising official must be satisfied about the managerial capacity of the borrower to put the assets to proper and efficient use.
  - The appraising official should make sure that the borrower has adequate stake in the business, possesses own resources sufficient to provide margin support for the loan and will be able to generate a stable stream of income to repay the loan.
  - The official must be aware of the recent trends in the borrower's line of work or industry and how economic trends might affect the loan
- Evaluation should be based on credit rating models available in the Operational Manuals. After evaluation Borrower are classified as "Superior", "Good", "Medium", "Barely Acceptable" and "Risky Proposal" categories based on aggregate scores.
- The Company also considering Industry/ Business risk, Concentration risk, Sectoral risk before accepting the proposal and the Company having defined set of loan exposure ceiling and approval matrix for the same for all types of borrower.

## **6. Monitoring and Collections:**

- Prompt and continuous collection of customer receivables in an efficient manner is the goal of the Company's collection organization. The actual policies and procedures governing the collection of receivables are governed by the Standard Operating Procedures (SOP's) prepared in compliance with the prevailing and relevant regulations in the country. Collection targets are set at the beginning of the month and actual collections are monitored on a daily basis.
- Single Borrower exposure exceeding Rs. 25 crores will be considered as "Large Exposure" and will be subjected to close monitoring.
- The monitoring measures should include the following:
  - At least a half yearly meeting with the client by the State Manager/Zonal Credit Manager to ascertain his business and cash flows.
  - Internal monitoring from market available information or feedback about the client.

- Review of payment status on the due dates and follow up in case of a delay.
- Also, a brief report should be submitted at half-yearly intervals to the sanctioning authority mentioning, inter alia, details of projected and actual performance during the period, observance of loan covenants etc.
- The first action taken against any customer on non-payment should normally be repossession action. n. The vehicle should be repossessed and dues have to be realized from sale proceeds of the vehicle. Repossession action should be initiated on case-to-case basis after taking in to account the overdue and the conduct of the loan.
- The instructions issued by RBI on Asset Classification, Income Recognition and Provisioning should be strictly complied with.

**7. Penal Interest:**

- For any delay in payments, penal interest at 3% p.m. for the number of days the account was overdue and for the amount of overdue is payable. Borrowers have the freedom to close the contract at any time, provided all the dues are fully settled including foreclosure charges, if any.

**8. Foreclosure Charges:**

- Foreclosure charges on pre closure of loan will be levied in line with the notifications issued by RBI from time to time.
- Our loan products comprise of fixed rate loans and floating rate loans. Foreclosure Charges will be levied in case of all fixed rate loans.

**9. Security:**

- The vehicle loans sanctioned by the Company will always be on a fully secured basis, the vehicle financed forming the primary security with the hypothecation charge thereon duly noted/registered in the required manner.
- For wholesale lending Portfolio, the primary security will be a first hypothecation charge on the underlying receivables.
- For other term loans like Infrastructure loans to Dealers and Loan against Property, first mortgage charge on immovable property will be taken as security.
- In case of loans provided to corporate entities, the charge shall also be registered with Registrar of Companies as required under the Companies Act, 2013 on completion of the legal documentation for creating such charges.

(b) **Classification of Loans given to associate, or entities/persons related to Board, Senior management, promoters, etc.:**

Not Applicable

(c) **Classification of loans according to type of loans, denomination of loan outstanding by loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers, maturity profile etc.:**

Please refer to paragraph (J) below of this table below.

(d) **Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on Corporate Governance for NBFCs or HFCs, from time to time.**

**Concentration of Advances:**

	<b>FY24</b>	<b>FY23</b>
Total advances to Top 20 borrowers (in Rs crores)	1,363	1,187
Percentage of advances to 20 largest borrowers to Total advances of the applicable NBFC	4.5%	5.2%

**Concentration of Exposure:**

	<b>FY24</b>	<b>FY23</b>
Total exposure to Top 20 borrowers (in Rs crores)	1,013	981
Percentage of exposure to 20 largest borrowers to Total advances of the applicable NBFC	3.8%	4.3%

(e) **Details of loans, overdue and classified as non-performing in accordance with RBI stipulations:**

Please refer to paragraph (K) of this table below.

**B. In order to allow investors to better assess the debt securities issued by the NBFC/ HFC, the following disclosures shall also be made by such issuers in their offer documents:**

(a) **A portfolio summary with regard to industries/ sectors to which borrowings have been made:**

Please refer to paragraph (J) in this table below including sub-paragraph (c) therein.

(b) **NPA exposures of the Issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the Issuer:**

Please refer to paragraph (K) of this table below.

(c) **Quantum and percentage of secured vis-à-vis unsecured borrowings made; and**

<b>Particulars</b>	<b>31-Mar-24 (In Crores)</b>	<b>%</b>
Secured	25,768	89.8%
Unsecured	2,931	10.2%
	28,699	100%

**C. Details of change in shareholding**

(a) **Any change in promoters' holdings in NBFC during the last financial year beyond the threshold, as prescribed by RBI:**

There is no change in promoters' holdings in the Issuer during the last financial year beyond the threshold, as prescribed by RBI.

**D. Disclosure of Assets Under Management**

(a) Segment wise breakup:		
Please refer to paragraph (J) in this table below.		
(b) Type of Loans		
Please refer to paragraph (J) in this table below.		
E. Details of borrowers		
(a) Geographical location wise		
Please refer to sub-paragraph (e) of paragraph (J) in this table below.		
F. Details of Gross NPA		
(a) Segment wise:		
Please refer to sub-paragraph (c) of paragraph (K) in this table below.		
G. Details of Assets and Liabilities		
(a) Residual maturity profile wise into several bucket:		
Please refer to paragraph (L) in this table below.		
H. Additional details of loans made by housing finance company.		
As the Issuer is not a housing finance company, this is not applicable.		
I. Disclosure of latest ALM statements to stock exchange		
The latest ALM statement (as submitted to the stock exchanges) is available on the website of the Company at the below link, and is also enclosed as Annexure XIII.		
extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.hindujaleylfinance.com/documents/stockexchange/FY%20202425/HLF_ALM%20Reporting%2010th%20April%202024.pdf		
J. Classification of loans/ advances given according to		
(a) Type of Loans:	Details of types of loans	
	Sl. No.	Types of loans
	1	Secured
	2	Unsecured
		Total assets under management (AUM)^
		FY 22-23 INR, Crore
		29,750
		489
		30,239
	*Information required at borrower level (and not by loan account as customer may have multiple loan accounts)	
	^^Issuer is also required to disclose off balance sheet items	
(b) Denomination of loans outstanding	Details of LTV -	

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

by loan-to-value:	Sl. No.	LTV (at the time of origination)	Percentage of AUM FY 23-24
	1	Upto 40%	15.9
	2	40-50%	4.4
	3	50-60%	4.9
	4	60-70%	5.4
	5	70-80%	16.3
	6	80-90%	24.7
	7	>90%	19.1
	8	Portfolio Buyout	9.1
		<b>Total</b>	<b>100.0</b>
(c) Sector Exposure	<u>Details of sectoral exposure</u>		
	Sl. No.	Segment-wise break-up of AUM	Percentage of AUM FY 23-24
	<b>1</b>	<b>Retail</b>	
	A	Mortgages (home loans and loans against property)	23.4
	B	Gold loans	-
	C	Vehicle finance	67.5
	D	MFI	-
	E	MSME	-
	F	Capital market funding (loans against shares, margin funding)	-
	G	Others	9.1
	<b>2</b>	<b>Wholesale</b>	
	A	Infrastructure	-
	B	Real estate (including builder loans)	-
	C	Promoter funding	-
	D	Any other sector (as applicable)	-
	E	Others	-
		<b>Total</b>	<b>100%</b>
	<u>Details of outstanding loans category wise</u>		
	S. No.	Ticket size (at the time of origination)	Percentage of AUM FY 23-24
	1.	Up to INR 2.5 lakh	10.7
	2.	INR 2.5-5 Lakh	4.0
	3.	INR 5-10 Lakh	8.6
	4.	INR 10-25 Lakh	14.9
	5.	>INR 25 Lakh	61.9
		<b>Total</b>	<b>100</b>
	* Information required at the borrower level (and not by loan account as a customer may have multiple loan accounts);		
(d) Denomination of loans outstanding by ticket size *:			

(e) Geographical classification of borrowers:	Top 5 states borrower wise		
	Sl. No.	Top 5 states	Percentage of AUM FY 2023-24
	1	Tamil Nadu	18.9
	2	Rajasthan	10.8
	3	Maharashtra	9.4
	4	Karnataka	6.6
	5	Andhra Pradesh	5.7
		Total	51.5
K. Details of loans, overdue and classified as non-performing in accordance with RBI stipulations			
(a) Movement of Gross NPA	Movement of gross NPA*		INR, Crore FY 23-24
	Opening gross NPA		1,130.0
	- Additions during the year		1,444.0
	- Reductions during the year		1,286.0
	Closing balance of gross NPA		1,288.0
	*Please indicate the gross NPA recognition policy (Day's Past Due):		
(b) Movement of provisions for NPA	Movement of provisions for NPA		INR, Crore FY 2023-24
	Opening balance		367.4
	- Provisions made during the year		
	- Write-off/ write-back of excess provisions		
	Closing balance		487.8
(c) Segment wise gross NPA	Sl. No.	Segment-wise gross NPA	Gross NPA (%) FY 2023-24
	1	Retail	
	A	Mortgages (home loans and loans against property)	1.2
	B	Gold loans	-
	C	Vehicle finance	4.5
	D	MFI	-
	E	MSME	-
	F	Capital market funding (loans against shares, margin funding)	-
	G	Others	-
	2	Wholesale	
	A	Infrastructure	-
	B	Real estate (including builder loans)	-
	C	Promoter funding	-
	D	Any other sector (as applicable)	-
	E	Others	-
		Total	3.3
L. Residual maturity profile of assets and liabilities (in line with the RBI format):			
Residual maturity profile of assets and liabilities	Residual maturity profile of assets and liabilities. (As on 31-Mar-2024) <div>(Rs. In Crores)</div>		

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

	Category	Up to 30/31 days	>1 month - 2 months	>2 months - 3 months	>3 months - 6 months	>6 months - 1 year	>1 year - 3 years	>3 years - 5 years	>5 years	Total
	Deposit	2,973.6	-	-	-	-	-	-	-	2,973.6
	Advances	981.7	1,044.1	1,124.3	2,654.4	4,876.8	10,274.8	4,079.2	3,401.0	28,436.3
	Investments	48.9	35.1	524.5	108.8	136.6	351.8	6.2	1,127.2	2,339.2
	Borrowings	344.2	971.4	1,604.2	2,392.6	4,754.0	12,997.6	5,074.8	560.5	28,699.1
	Foreign Currency Assets (FCA)	-	-	-	-	-	-	-	-	-
	Foreign Currency Liabilities (FCL)	-	-	-	-	-	-	-	-	-

**M. Details of borrowings granted by issuer**

**(a) Portfolio Summary of borrowings made by issuer:**

Debt Profile	FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21
Term Loan	25,029.0	18,047.3	13,295.0	14,184.0
Non-Convertible Debenture	179.0	959.0	1,328.0	1,318.2
Subordinated Debt	1,452.0	1,043.0	1,221.0	1,352.0
Commercial Paper	1,479.0	196.0	-	-
CC/WCDL	560.0	454.0	462.7	549.0
<b>Total Debt</b>	<b>28,699.0</b>	<b>20,699.3</b>	<b>16,306.7</b>	<b>17,403.2</b>

**(b) Quantum and percentage of secured vs. unsecured borrowings.**

Debt Profile	FY 2023-24	Percentage
Secured	25,768.0	89.8%
Unsecured	2,931.0	10.2%
<b>Total Debt</b>	<b>28,699.0</b>	<b>100.0%</b>

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

## SECTION 11: DECLARATION BY THE DIRECTORS

- A. The Issuer has complied with the provisions of the Companies Act, 2013 and the rules made hereunder.
- B. The compliance with the Companies Act, 2013 and the rules made thereunder do not imply that payment of dividend or interest or repayment of the Debentures, if applicable, is guaranteed by the Central Government.
- C. The monies received under the offer shall be used only for the purposes and objects indicated in this Key Information Document.
- D. The Issuer has complied with, and nothing in the Key Information Document is contrary to, the provisions of Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, and the rules and regulations made thereunder.

Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 3 of this Key Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

I am authorized by the board of directors of the Issuer *vide* resolution dated May 15, 2024 of the board of directors of the Issuer, to sign this Key Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

Whatever is stated in this Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Key Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this Key Information Document.

The Issuer declares that all the relevant provisions in the regulations/guideline issued by SEBI and other applicable laws have been complied with and no statement made in this Key Information Document is contrary to the provisions of the regulations/guidelines issued by SEBI and other applicable laws, as the case may be. The information contained in this Key Information Document is as applicable to privately placed debt securities and subject to the information available with the Issuer. The extent of disclosures made in this Key Information Document is consistent with disclosures permitted by regulatory authorities to the issue of securities made by the companies in the past.

### For HINDUJA LEYLAND FINANCE LIMITED

**RAMASAMY SRIVIDHYA**  
Digitally signed by  
RAMASAMY SRIVIDHYA  
Date: 2024.10.01  
14:08:30 +05'30'

Name: Srividhya Ramasamy  
Title: Company Secretary  
Place: Chennai  
Date: September 25, 2024

**RAJESH  
NAMDEO  
DHURI**

Digitally signed by RAJESH NAMDEO DHURI  
DN: cn=RAJESH NAMDEO DHURI,  
o=HINDUJA LEYLAND FINANCE LIMITED,  
ou=RAJESH NAMDEO DHURI,  
email=rajesh.namdeo@hinduja.com,  
c=IN

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE I: LIMITED REVIEW FINANCIAL STATEMENTS**

*Enclosed Separately*

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE II: RATING LETTER, RATING RATIONALE AND DETAILED PRESS RELEASE FROM THE RATING  
AGENCY**

*Enclosed Separately*

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE AND REGISTRAR**

**Debenture Trustee:**

*Enclosed Separately*

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**Registrar:**

*Enclosed Separately*

#### ANNEXURE IV: APPLICATION FORM

##### HINDUJA LEYLAND FINANCE LIMITED

A public limited company incorporated under the Companies Act, 1956

**Date of Incorporation:** November 12, 2008

**Registered Office:** Plot No. C-21, Tower C (1-3 Floor), G Block, Bandra Kurla Complex, Bandra East Mumbai-400051, India

**Telephone No.:** 91 (044) 39252525

**Website:** <http://www.hindujaleylfinance.com>

DEBENTURE SERIES APPLICATION FORM SERIAL NO.

RE-ISSUE OF 5,000 (FIVE THOUSAND) RATED, LISTED, SUBORDINATED, UNSECURED, TAXABLE, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES DENOMINATED IN INDIAN RUPEES ("INR"), HAVING A FACE VALUE OF INR 1,00,000 (INDIAN RUPEES ONE LAKH) EACH AND AN AGGREGATE FACE VALUE OF INR 50,00,00,000 (INDIAN RUPEES FIFTY CRORE) ("DEBENTURES") ON A PRIVATE PLACEMENT BASIS (THE "ISSUE").

##### DEBENTURE SERIES APPLIED FOR:

Number of Debentures: \_\_\_\_\_ In words: \_\_\_\_\_ only  
Amount INR \_\_\_\_\_/- In words  
Rupees: \_\_\_\_\_ only

##### DETAILS OF PAYMENT:

Cheque / Demand Draft / RTGS

No. \_\_\_\_\_ Drawn on \_\_\_\_\_

Funds transferred to the account specified in "Instructions" below on \_\_\_\_\_

Total Amount Enclosed

(In Figures) INR \_\_\_\_\_/- (In words) \_\_\_\_\_ Only

##### APPLICANT'S NAME IN FULL (CAPITALS)

##### SPECIMEN SIGNATURE

--	--

##### APPLICANT'S ADDRESS

ADDRESS					
STREET					
CITY					
PIN		PHONE		FAX	

APPLICANT'S PAN/GIR NO. \_\_\_\_\_ IT CIRCLE/WARD/DISTRICT \_\_\_\_\_

**WE ARE** ( ) COMPANY ( ) OTHERS (Please specify) \_\_\_\_\_

We have read and understood the terms and conditions of the issue of Debentures including the risk factors described in the general information document dated May 14, 2024, the enclosed key information document and the private placement offer cum application letter of the same date, each issued by the Issuer (collectively, the "**Debt Disclosure Documents**") and have considered these in making our decision to apply.

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

We bind ourselves to the terms and conditions of the Debt Disclosure Documents and wish to apply for allotment of the Debentures. We request you to please place our name(s) on the register of holders.

Name of the Authorised Signatory(ies)	Designation	Signature

\_\_\_\_\_  
Applicant's Signature

We the undersigned, are agreeable to holding the Debentures of the Issuer in dematerialised form. Details of my/our Beneficial Owner Account are given below:

<b>DEPOSITORY</b>	<b>NSDL ( ) CDSL ( )</b>
<b>DEPOSITORY PARTICIPANT NAME</b>	
<b>DP-ID</b>	
<b>BENEFICIARY ACCOUNT NUMBER</b>	
<b>NAME OF THE APPLICANT(S)</b>	

<b>Applicant Bank Account:</b>  (Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	
---	--

FOR OFFICE USE ONLY	
DATE OF RECEIPT _____	DATE OF CLEARANCE _____

*(Note: Cheque and Drafts are subject to realisation)*

We understand and confirm that the information provided in the Debt Disclosure Documents is provided by the Issuer. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: (i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, (ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, (iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Issuer shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

\_\_\_\_\_  
Applicant's Signature

FOR OFFICE USE ONLY	
DATE OF RECEIPT _____	DATE OF CLEARANCE _____

*(Note : Cheque and Drafts are subject to realisation)*

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

----- (TEAR HERE) -----

**ACKNOWLEDGMENT SLIP**

(To be filled in by Applicant) SERIAL NO.									
---	--	--	--	--	--	--	--	--	--

Received from \_\_\_\_\_

Address _____	
_____	
Cheque/Draft/UTR # _____	Drawn on _____ for
INR _____	on account of application of _____ Debenture

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

### **INSTRUCTIONS**

1. Application form must be completed in full, IN ENGLISH.
2. Signatures must be made in English or in any of the Indian languages. Thumb Impressions must be attested by an authorized official of the Bank or by a Magistrate/Notary Public under his/her official seal.
3. Application form, duly completed in all respects, must be submitted with the respective Collecting Bankers. The payment is required to be made to the following account of ICCL by way of an electronic transfer, in accordance with the terms of the EBP Requirements:

Name of Bank	ICICI Bank
IFSC Code	ICIC0000106
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

Name of Bank	HDFC Bank
IFSC Code	HDFC0000060
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

The Issuer undertakes that the application money deposited in the above-mentioned bank account shall not be utilized for any purpose other than:

- (a) for adjustment against allotment of securities; or
- (b) for the repayment of monies where the Issuer is unable to allot securities.

4. Outstation Cheques, Cash, Money Orders, Postal Orders and Stock Invest shall not be accepted.
5. Receipt of applicants will be acknowledged by the Issuer in the "Acknowledgement Slip" appearing below the application form. No separate receipt will be issued.
6. All applicants should mention their Permanent Account No. or their GIR No. allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor the GIR No. has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided. Income Tax as applicable will be deducted at source at the time of payment of interest including interest payable on application money.
7. The application would be accepted as per the terms of the Debentures outlined in the transaction documents for the private placement.

## ANNEXURE V: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Name of the Issuer	Hinduja Leyland Finance Limited
Face Value (per security)	INR 1,00,000 (Indian Rupees One Lakh)
Issue Date / Date of Allotment	September 27, 2024 /September 30, 2024
Date of Redemption	November 29, 2029
Tenure	5 (Five) Years 1 (Two) Months and 29 (Twenty-Nine) Days from the Date of Allotment for this NCD issuance
Coupon Rate	9.50% (nine decimal five zero percent) per annum, payable annually (fixed)
Frequency of the Coupon Payment with specified dates	Annually. Please refer below.
Day count convention	Actual/Actual

### 1. INTEREST PAYMENT SCHEDULE

CASH FLOWS	DAY AND DATE FOR COUPON/ REDEMPTION BECOMING DUE***	NUMBER OF DAYS	AMOUNT PER DEBENTURE (IN RUPEES)
1 <sup>st</sup> Coupon Payment	Thursday, May 29, 2025	365.00	9,500.00
2 <sup>nd</sup> Coupon Payment	Friday, May 29, 2026	365.00	9,500.00
3 <sup>rd</sup> Coupon Payment	Saturday, May 29, 2027	365.00	9,500.00
4 <sup>th</sup> Coupon Payment	Monday, May 29, 2028	366.00	9,500.00
5 <sup>th</sup> Coupon Payment	Tuesday, May 29, 2029	365.00	9,500.00
6 <sup>th</sup> Coupon Payment	Thursday, November 29, 2029	184.00	4,789.04

\*\*\* Subject to business day convention

### 2. REDEMPTION SCHEDULE

CASH FLOWS	DAY AND DATE FOR COUPON/ REDEMPTION BECOMING DUE***	NUMBER OF DAYS	AMOUNT PER DEBENTURE (IN RUPEES)
Principal Repayment	Thursday, November 29, 2029	1887 Days	Rs. 1,00,000/-

\*\*\* Subject to business day convention

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE VI: DUE DILIGENCE CERTIFICATES**

Enclosed Separately

#### **ANNEXURE VII: DISCLOSURES PURSUANT TO THE SEBI DEBENTURE TRUSTEES MASTER CIRCULAR**

- (a) **Details of assets, movable property and immovable property on which charge is proposed to be created**

Not applicable as the Debentures are unsecured and subordinated debt instruments.

- (b) **Title deeds (original/ certified true copy by issuers/ certified true copy by existing charge holders, as available) or title reports issued by a legal counsel/ advocates, copies of the relevant agreements/ Memorandum of Understanding**

Not applicable as the Debentures are unsecured and subordinated debt instruments.

- (c) **Copy of evidence of registration with Sub-registrar, Registrar of Companies, Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) etc**

Not applicable as the Debentures are unsecured and subordinated debt instruments.

- (d) **For unencumbered assets, an undertaking that the assets on which charge is proposed to be created are free from any encumbrances**

Not applicable as the Debentures are unsecured and subordinated debt instruments.

- (e) **For encumbered assets, on which charge is proposed to be created, the following consents along-with their validity as on date of their submission:**

- (i) **Details of existing charge over the assets along with details of charge holders, value/ amount, copy of evidence of registration with Sub-registrar, Registrar of Companies, CERSAI, Information Utility (IU) registered with Insolvency and Bankruptcy Board of India (IBBI) etc. as applicable:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

- (ii) **Consent/ No-objection certificate (NOC) from existing charge holders for further creation of charge on the assets or relevant transaction documents wherein existing charge holders have given conditional consent/ permission to the Issuer to create further charge on the assets, along-with terms of such conditional consent/ permission, if any:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

- (iii) **Consent/ NOC from existing unsecured lenders, in case, negative lien is created by Issuer in favour of unsecured lenders:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

- (f) **In case of personal guarantee or any other document/ letter with similar intent is offered as security or a part of security:**

- (i) **Details of guarantor viz. relationship with the Issuer:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

- (ii) **Net worth statement (not older than 6 months from the date of debenture trustee agreement) certified by a chartered accountant of the guarantor:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

- (iii) **List of assets of the guarantor including undertakings/ consent/ NOC as per para 2.1(b) and 2.1(c) of Chapter II of the SEBI Debenture Trustees Master Circular:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- (iv) **Conditions of invocation of guarantee including details of put options or any other terms and conditions which may impact the security created:** Not applicable as the Debentures are unsecured and subordinated debt instruments.
- (v) **List of previously entered agreements for providing guarantee to any other person along with an undertaking that there are no agreements other than those provided in the list, if any:** Not applicable as the Debentures are unsecured and subordinated debt instruments.
- (g) **In case of corporate guarantee or any other document/ letter with similar intent is offered as security or a part of security:** Not applicable as the Debentures are unsecured and subordinated debt instruments.
  - (i) **Details of guarantor viz. holding/ subsidiary/ associate company etc:** Not applicable as the Debentures are unsecured and subordinated debt instruments.
  - (ii) **Audited financial statements (not older than 6 months from the date of debenture trustee agreement) of guarantor including details of all contingent liabilities:** Not applicable as the Debentures are unsecured and subordinated debt instruments.
  - (iii) **List of assets of the guarantor along-with undertakings/consent/NOC as per para 2.1(b) and 2.1(c) of Chapter II of the SEBI Debenture Trustees Master Circular:** Not applicable as the Debentures are unsecured and subordinated debt instruments.
  - (iv) **Conditions of invocation of guarantee including details of put options or any other terms and conditions which may impact the security created:** Not applicable as the Debentures are unsecured and subordinated debt instruments.
  - (v) **Impact on the security in case of restructuring activity of the guarantor:** Not applicable as the Debentures are unsecured and subordinated debt instruments.
  - (vi) **Undertaking by the guarantor that the guarantee shall be disclosed as "contingent liability" in the "notes to accounts" of financial statement of the guarantor:** Not applicable as the Debentures are unsecured and subordinated debt instruments.
  - (vii) **Copy of Board resolution of the guarantor for the guarantee provided in respect of the debt securities of the Issuer:** Not applicable as the Debentures are unsecured and subordinated debt instruments.
  - (viii) **List of previously entered agreements for providing guarantee to any other person along with an undertaking that there are no agreements other than those provided in the list, if any:** Not applicable as the Debentures are unsecured and subordinated debt instruments.
- (h) **In case of any other contractual comforts/ credit enhancements provided for or on behalf of the issuer, it shall be required to be legal, valid and enforceable at all times, as affirmed by the issuer. In all other respects, it shall be dealt with as specified above with respect to guarantees:** Not applicable as the Debentures are unsecured debt instruments.
- (i) **In case securities (equity shares etc.) are being offered as security then a holding statement from the depository participant along-with an undertaking that these securities shall be pledged in favour of debenture trustee(s) in the depository system:** Not applicable as the Debentures are unsecured and subordinated debt instruments.
- (j) **Details of any other form of security being offered viz. Debt Service Reserve Account etc.:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

- (k) **Any other information, documents or records required by debenture trustee with regard to creation of security and perfection of security:** Not applicable as the Debentures are unsecured and subordinated debt instruments.
- (l) **Declaration:** Not applicable as the Debentures are unsecured and subordinated debt instruments.
- (m) **Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s):** Please refer the consent letter of the Debenture Trustee for terms and conditions of the appointment of the Debenture Trustee and fee of the Debenture Trustee.
- (n) **Details of security to be created:** Not applicable as the Debentures are unsecured and subordinated debt instruments.
- (o) **Process of due diligence carried out by the debenture trustee under the SEBI Debenture Trustees Master Circular:** The Debenture Trustee has carried out due diligence in accordance with the manner prescribed in the SEBI Debenture Trustees Master Circular. The due diligence broadly includes the following:
  - (i) A chartered accountant appointed by the Debenture Trustee will be conducting an independent due diligence as per scope provided by the Debenture Trustee and the information provided by the Issuer in respect of the security being provided by the Issuer in respect of the Debentures.
  - (ii) The chartered accountant will verify and ensure that the assets provided by the Issuer for creation of security are free from any encumbrances or necessary permission or consent has been obtained from existing charge holders.
  - (iii) Periodical due diligence will be carried out by the Debenture Trustee in accordance with the SEBI (Debenture Trustees) Regulations, 1993 and the relevant circulars issued by SEBI from time to time (including the SEBI Debenture Trustees Master Circular) as per the nature of security provided by the Issuer in respect of the Debentures.
  - (iv) The Debenture Trustee will issue such necessary certificate(s) in relation to the due diligence carried out by it and such certificate(s) will be available on Stock Exchanges from time to time for information of the Debenture Holders.
- (p) **Due diligence certificates as per the format specified in the SEBI Debenture Trustees Master Circular and the Debt Listing Regulations:** Enclosed as Annexure V. The due diligence certificates will be submitted to BSE along with the Key Information Document.

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE VIII: BOARD RESOLUTION AND COMMITTEE RESOLUTION**

**Board Resolution**

*Enclosed Separately*

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE IX: SHAREHOLDERS' RESOLUTIONS**

*Enclosed Separately*

#### ANNEXURE X: SHAREHOLDING PATTERN

Name of the shareholder	No. of Shares as on June 30, 2024	Percentage
Ashok Leyland Limited	32,32,46,338	60.40%
Hinduja Automotive Ltd	6,92,77,542	12.95%
Abridge Investments Ltd	3,50,00,000	6.54%
Aviator Global Investment Fund	2,85,00,000	5.33%
Elara India Opportunities Fund	2,79,90,000	5.23%
The Great International Tusker Fund	1,36,00,000	2.54%
Connecor Investment Enterprises Ltd	1,00,00,000	1.87%
LGOF Global Opportunities Fund	1,00,00,000	1.87%
Hinduja Capital Limited (Formerly Known As Hinduja Power Limited)	71,86,550	1.34%
Afrin Dia	65,00,000	1.21%
Others / ESOPs	33,72,672	0.63%
Aasia Corporation LLP	4,89,388	0.09%
<b>Total</b>	<b>53,51,62,490</b>	<b>100.00%</b>

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE XI: FORM NO. PAS-4 - PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER**

*Attached separately.*

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE XII: RELATED PARTY TRANSACTION**

*Attached separately*

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE XIII: ALM STATEMENT**

*Attached separately*

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE XIV: IN-PRINCIPAL APPROVAL LETTER**

*Attached separately*

**Walker Chandiok & Co LLP**

16th Floor, Tower III,  
One International Center,  
S B Marg, Prabhadevi (W),  
Mumbai - 400 013.  
Maharashtra, India.

**Suresh Surana & Associates LLP**

"Apex Towers" 2<sup>nd</sup> & 4<sup>th</sup> Floor,  
No.54 (Old No. 42).  
Second Main Road, R.A. Puram,  
Chennai - 600 028.  
Tamil Nadu, India.

**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of Hinduja Leyland Finance Limited pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)****To the Board of Directors of Hinduja Leyland Finance Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Hinduja Leyland Finance Limited ('the Company') for the quarter ended 30 June 2024, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended including relevant circulars issued by the Securities and Exchange Board of India ("SEBI") from time to time) ('Listing Regulations').
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI') from time to time, applicable to NBFCs ('the RBI guidelines') and other accounting principles generally accepted in India, and is in compliance with the presentation and disclosure requirements of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Walker Chandiok & Co LLP****Suresh Surana & Associates LLP**

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, the RBI guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of income recognition, asset classification, provisioning and other related matters.

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013

RAKESH  
BHAGCHA  
ND RATHI

Digitally signed  
by RAKESH  
BHAGCHAND  
RATHI  
Date: 2024.07.21  
16:54:29 +05'30'

**Rakesh Rathi**

Partner

Membership No. 045228

UDIN: 24045228BKGPMPT2639

**Place:** Mumbai**Date:** 21 July 2024**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm Registration No: 121750W/W100010

PATTABIRAMAN  
SHANKAR RAMAN

Digitally signed by  
PATTABIRAMAN SHANKAR  
RAMAN  
Date: 2024.07.21 16:41:04  
+05'30'

**P. Shankar Raman**

Partner

Membership No. 204764

UDIN: 24204764BKAHFR7243

**Place:** Chennai**Date:** 21 July 2024

**Hinduja Leyland Finance Limited**  
Corporate Identity Number : U65993MH2008PLC384221

Regd. Office: Plot No.C-21, Tower C (1-3 floors), G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

Corporate office: 27A, Developed Industrial Estate, Guindy, Chennai, Tamil Nadu - 600032

Tel : (044) 39252525 Website : hindujaleylfinance.com Email : compliance@hindujaleylfinance.com

Statement of standalone unaudited financial results for the quarter ended 30 June 2024

Particulars	Quarter ended			Rs. Lakhs
	30-Jun-2024	31-Mar-2024	30-Jun-2023	Year ended
	Unaudited	Unaudited (Refer note 6)	Unaudited	Audited
<b>1 Income</b>				
Interest income	93,560	89,844	67,893	3,09,087
Fees and commission income	1,755	1,789	1,508	6,504
Net gain on fair value changes	132	427	374	1,977
Net gain on derecognition of financial instruments	2,210	6,276	3,791	22,866
Rental income	1,687	1,435	125	3,033
Other income	957	522	382	1,814
<b>Total income</b>	<b>1,00,301</b>	<b>1,00,293</b>	<b>74,073</b>	<b>3,45,281</b>
<b>2 Expenses</b>				
Finance costs	62,767	56,670	43,828	2,01,577
Fees and commission expense	3,850	3,445	1,666	9,925
Impairment on financial assets	12,530	15,037	12,260	51,171
Employee benefits expense	5,880	5,541	4,448	20,782
Depreciation and amortisation	1,600	1,382	542	3,843
Other expenses	4,576	2,722	3,028	12,521
<b>Total expenses</b>	<b>91,203</b>	<b>84,797</b>	<b>65,772</b>	<b>2,99,819</b>
<b>3 Profit before tax for the period / year (1-2)</b>	<b>9,098</b>	<b>15,496</b>	<b>8,301</b>	<b>45,462</b>
<b>4 Tax expenses</b>	<b>2,681</b>	<b>3,947</b>	<b>2,099</b>	<b>11,439</b>
- Current tax	2,162	3,333	1,613	8,564
- Deferred tax	519	614	486	2,875
<b>5 Profit after tax for the period / year (3-4)</b>	<b>6,417</b>	<b>11,549</b>	<b>6,202</b>	<b>34,023</b>
<b>6 Other comprehensive Income</b>				
<b>A</b> Items that will not be reclassified subsequently to profit or loss				
(i) Remeasurement of defined benefit plans	(21)	(56)	2	(55)
(ii) Income tax relating to items that will not be reclassified to profit or loss	5	14	(1)	14
<b>B</b> Items that will be reclassified to profit or loss				
(i) (a) Fair value gain/(loss) on financial assets carried at Fair Value Through Other Comprehensive Income (FVTOCI)	11,392	34,716	(2,201)	33,660
(b) Effective portion of loss on designated portion of hedging instruments in a cashflow hedge	(388)	(165)	-	(165)
(ii) Income tax relating to items that will be reclassified to profit or loss	(2,770)	(8,697)	554	(8,431)
<b>Other comprehensive Income</b>	<b>8,218</b>	<b>25,812</b>	<b>(1,646)</b>	<b>25,023</b>
<b>7 Total comprehensive Income</b>	<b>14,635</b>	<b>37,361</b>	<b>4,556</b>	<b>59,046</b>
<b>8 Paid up share capital (face value of Rs.10 each)</b>	<b>53,516</b>	<b>53,516</b>	<b>53,507</b>	<b>53,516</b>
<b>9 Other equity</b>				<b>5,19,084</b>
<b>10 Earnings per equity share (face value of Rs.10/- each)#</b>				
- Basic (in Rs.)	1.20	2.16	1.16	6.36
- Diluted (in Rs.)	1.20	2.16	1.16	6.36

# earnings per share for the quarters are not annualised



J



**Notes:**

- 1 The above standalone financial results of Hinduja Leyland Finance Limited ('the Company') have been reviewed by the Audit Committee at their meeting held on 19 July 2024 and approved by the Board of Directors at their meeting held on 21 July 2024 and reviewed by joint statutory auditors, pursuant to Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The standalone financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Companies Act, 2013 ("the Act"), the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI guidelines") and other accounting principles generally accepted in India.

- 2 Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51 /21.04.048/2021-22 dated 24 September 2021

(a) Details of transfer through assignment in respect of loans not in default during the quarter ended 30 June 2024

Aggregate amount of loans transferred through Direct Assignment (Rs. in Lakhs)	48,658
Sale consideration (Rs. in Lakhs)	43,792
Number of transactions	3
Weighted average remaining maturity in months	27.68
Weighted average holding period after origination in months	9.98
Retention of beneficial interest	10%
Coverage of tangible security coverage	100%
Rating-wise distribution of rated loans	Not applicable
Number of instances (transactions) where transferred as agreed to replace the transferred loans	Nil
Number of transferred loans replaced	Nil

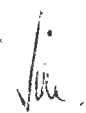
(b) Details of loans (not in default) acquired through assignment during the quarter ended 30 June 2024

Aggregate amount of loans acquired through Direct Assignment (Rs. in Lakhs)	NA
Weighted average remaining maturity in months	NA
Weighted average holding period after origination in months	NA
Retention of beneficial interest	NA
Coverage of tangible security coverage	NA
Rating-wise distribution of rated loans	NA

(c) No of stressed loans transferred during the quarter ended 30 June 2024.

- 3 During Financial Year 2022-23, the Board of Directors of the Company had approved the Scheme of Merger by absorption of the Company into NXTDIGITAL Limited (currently NDL Ventures Limited), subject to the receipt of approvals from various statutory and regulatory authorities, respective shareholders and creditors, at a share exchange ratio of Twenty-five equity shares of face value of Rs. 10/- each of NDL Ventures Limited for every Ten equity shares of face value of Rs.10/- each held. In this regard, the Company has obtained a No-Objection Certificate from the Reserve Bank of India. Subsequently, NDL Ventures Limited has also applied to the Reserve Bank of India for registration as a Non-Banking Financial Company (NBFC), which is currently under process.
- 4 All the secured non-convertible debentures of the Company including those issued during the current financial year are fully secured by hypothecation of book debts/loan receivables to the extent as stated in the information memorandum. Further, the Company has maintained asset cover as stated in the information memorandum which is sufficient to discharge the principal amount at all times for the non-convertible debt securities issued.
- 5 The Company is primarily engaged into lending business. The Company has its operations within India and all revenues are generated within India. As such, there are no separate reportable segment as per the provisions of Ind AS 108 'Operating Segments'.
- 6 The figures for the quarter ended 31 March 2024 are the balancing figures between audited figures in respect of the full financial year ended 31 March 2024 and the year to date figures upto the period ended 31 December 2023, which were subjected to limited review.
- 7 The figures of the previous periods have been regrouped and/or reclassified to conform to the current period's classification. Such regrouping and/or reclassification are not material to the standalone financial results.

For Hinduja Leyland Finance Limited



Sachin Pillai  
Managing Director & CEO

Place : Chennai  
Date : 21 July 2024



**Annexure: Disclosures as per clause 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 :**

- a. Debt-Equity ratio (in times) as at 30 June 2024 is 5.12. For the purpose of the ratio, a) debt includes debt securities, borrowings other than debt securities and sub-ordinated liabilities and b) equity includes equity share capital and other equity (Other equity includes Securities Premium Account, Employee Stock Option Outstanding Account, Statutory Reserve, Retained Earnings (Surplus in Statement of Profit and Loss) and Other Comprehensive Income).

Particulars	As at / For the quarter ended 30 June 2024
Outstanding redeemable preference shares (quantity)	NIL
Outstanding redeemable preference shares (Rs.in Lakh)	NIL
Net worth (Rs.in Lakh)	5,87,276
Net profit after tax (Rs.in Lakh)	6,417
Earnings per share	
Basic (in Rs.)	1.20
Diluted (in Rs.)	1.20
Debt Service coverage ratio	Not Applicable
Sector specific equivalent ratios include following	
Gross stage III assets (%)	4.21%
Net stage III assets (%)	2.65%
Provision coverage	38.18%
Liquidity coverage ratio (Calculated as per RBI guidelines)	208.45%
Capital risk adequacy ratio (CRAR) %	17.46%

**Notes:**

1. Networth includes equity share capital and other equity (Other equity includes Securities Premium, Employee Stock Option Outstanding Account, Statutory Reserve, Retained Earnings (Surplus in Statement of Profit and Loss) and Other Comprehensive Income).
2. Networth is calculated as defined in section 2(57) of Companies Act 2013.
3. Total debts to total assets = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / total assets
4. Net profit margin = Net profit after tax / total income.
5. Capital ratio = Adjusted net worth / Risk weighted assets, calculated as per applicable RBI guidelines.
6. Gross Stage III (%) = Gross Stage III Loans EAD / Gross Total Loans EAD. Exposure at default (EAD) includes Loan Balance and interest thereon but does not include Security Receipts. Stage-III loans has been determined as per Ind AS 109.
7. Net Stage III = (Gross Stage III Loans EAD - Impairment loss allowance for Stage III) / (Gross Total Loans EAD - Impairment loss allowance for Stage III).
8. Provision coverage = Total Impairment loss allowance for Stage III / Gross Stage III Loans EAD.

**For Hinduja Leyland Finance Limited**

Place : Chennai  
Date : 21 July 2024

  
**Sachin Pillai**  
Managing Director & CEO



**Walker Chandiok & Co LLP**

16th Floor, Tower III,  
One International Center,  
S B Marg, Prabhadevi (W),  
Mumbai - 400 013.  
Maharashtra, India.

**Suresh Surana & Associates LLP**

"Apex Towers" 2<sup>nd</sup> & 4<sup>th</sup> Floor,  
No.54 (Old No. 42).  
Second Main Road, R.A. Puram,  
Chennai - 600 028.  
Tamil Nadu, India.

**Independent Auditors' Review Report on Special Purpose Consolidated Unaudited Financial Results of Hinduja Leyland Finance Limited for the quarter ended 30 June 2024**

Price Waterhouse & Co Chartered Accountants LLP,  
7th floor, Menon Eternity Building,  
St. Mary's Road, Alwarpet,  
Chennai – 600 018.

1. As requested in the group instructions dated 08 July 2024 of Price Waterhouse & Co Chartered Accountants LLP, we have reviewed the accompanying Special Purpose Consolidated Unaudited Financial Results comprising the Special Purpose Consolidated Unaudited Balance Sheet as at 30 June 2024 and the Special Purpose Consolidated Unaudited Statement of Profit and Loss for the quarter ended 30 June 2024, of Hinduja Leyland Finance Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and joint venture (refer Annexure 1 for the list of subsidiaries, associate and joint venture included in the Special Purpose Consolidated Unaudited Financial Results). The preparation and presentation of these Special Purpose Consolidated Unaudited Financial Results are the responsibility of the Holding Company's management and have been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Special Purpose Consolidated Unaudited Financial Results based on our review, which has been prepared by the Holding Company's management in accordance with the accounting policies of Ashok Leyland Limited (the 'ALL Group') (hereinafter referred to as 'Group Accounting Policies').
2. We conducted our review of the Special Purpose Consolidated Unaudited Financial Results in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Special Purpose Consolidated Unaudited Financial Results for the quarter ended 30 June 2024 has not been prepared, in all material respects, in accordance with the Group Accounting Policies.

**Other matters**

4. We did not review the interim financial results of one subsidiary included in the Special Purpose Consolidated Unaudited Financial Results whose financial information reflects total assets of ₹ 1,065,856.13 lakhs as at 30 June 2024 and total income of ₹ 37,382.95 lakhs, net profit after tax of ₹ 6,633.74 lakhs and total comprehensive income of ₹ 10,131.89 lakhs for the quarter ended 30 June 2024, as considered in the Special Purpose Consolidated Unaudited Financial Results. These interim financial results have been reviewed by other auditor whose review report has been furnished to us by the Holding Company's management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the review report of such other auditor. Our conclusion is not modified in respect of this matter.

5. The Special Purpose Consolidated Unaudited Financial Results includes the interim financial results of one subsidiary, which has not been reviewed by their auditor, whose interim financial results reflects total assets of ₹ 13.16 lakhs as at 30 June 2024 and total income of ₹ Nil lakhs, net (loss) after tax of ₹ (0.12) lakhs and total comprehensive (loss) of ₹ (0.12) lakhs for the quarter ended 30 June 2024, as considered in the Special Purpose Consolidated Unaudited Financial Results. The Special Purpose Consolidated Unaudited Financial Results also includes the Group's share of net (loss) after tax of ₹ (88.87) lakhs and total comprehensive (loss) of ₹ (87.50) lakhs for the quarter ended 30 June 2024, in respect of one associate and one joint venture, based on their interim financial results, which have not been reviewed by their auditors. Our conclusion on the Special Purpose Consolidated Unaudited Financial Results, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, associate, and joint venture, are based solely on such un-reviewed interim financial results. According to the information and explanations given to us by the management, these interim financial results are not material to the Group. Our conclusion is not modified in respect of this matter.
6. The Special Purpose Consolidated Unaudited Financial Results has been prepared solely for the purpose of providing information to Ashok Leyland Limited, the Ultimate Holding Company, to enable them to prepare the consolidated financial information of the ALL Group for the quarter ended 30 June 2024. As a result, the Special Purpose Consolidated Unaudited Financial Results is not a complete set of financial statements of the Group, its associate and joint venture in accordance with applicable financial reporting framework underlying the Group's accounting policies and is not intended to give a true and fair view of the financial position as of 30 June 2024, and of the financial performance for the quarter then ended in accordance with applicable financial reporting framework underlying the group's accounting policies. The Special Purpose Consolidated Unaudited Financial Results may, therefore, not be suitable for another purpose.
7. This review report is issued solely for Price Waterhouse & Co Chartered Accountants LLP in conjunction with their review of consolidated financial information of the ALL Group for the quarter ended 30 June 2024, and accordingly should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this review report is shown or into whose hands it may come without our prior consent in writing.

**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No: 001076N/N500013

**For Suresh Surana & Associates LLP**  
Chartered Accountants  
Firm Registration No: 121750W/W100010

**Rakesh Rathi**  
Partner  
Membership No: 045228

UDIN: 24045228BKGPMU7109

**Place:** Mumbai  
**Date:** 21 July 2024

**P. Shankar Raman**  
Partner  
Membership No: 204764

UDIN: 24204764BKAHFS6826

**Place:** Chennai  
**Date:** 21 July 2024

**Annexure 1**

List of entities included:

<b>Entity name</b>	<b>Nature</b>
Hinduja Housing Finance Limited	Subsidiary
Gaadi Mandi Digital Platforms Limited	Subsidiary
HLF Services Limited	Associate
Gro Digital Platforms Limited	Joint venture

Particulars	Note No.	As at June 30, 2024 Rs. Lakhs	As at March 31, 2024 Rs. Lakhs
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1.1	34,016.41	33,155.93
Capital work-in-progress	1.1	6,380.00	2,706.00
Intangible assets	1.2	125.69	94.54
Right of use asset	1.2A	6,125.64	6,502.33
Equity accounted investees		2,200.46	2,287.95
Financial Assets			
(i) Investments	1.3	99,875.12	1,10,147.61
(ii) Loans	1.4	29,25,916.77	27,50,531.47
(iii) Others	1.5	43,121.22	40,846.31
Non-current tax assets (net)	1.7	10,412.60	10,366.21
Other non-current assets	1.12 (a)	10,398.87	10,619.53
		<b>31,38,572.78</b>	<b>29,67,257.87</b>
<b>Current assets</b>			
Financial Assets			
(i) Investments	1.8	85,168.40	79,803.06
(ii) Cash and cash equivalents	1.9 (a)	2,97,961.75	2,90,953.38
(iii) Bank balances other than (ii) above	1.9 (b)	909.55	30,263.37
(iv) Loans	1.10	11,88,419.38	10,95,787.42
(v) Others	1.11	22,070.03	22,808.25
Other Current Assets	1.12	1,743.89	858.05
		<b>15,96,273.00</b>	<b>15,20,473.53</b>
<b>TOTAL</b>		<b>47,34,845.78</b>	<b>44,87,731.40</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	1.13	53,516.25	53,516.25
Other Equity	1.14	6,52,268.19	6,27,550.46
<b>Equity attributable to the owners of the Group</b>		<b>7,05,784.44</b>	<b>6,81,066.71</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
(i) Borrowings	1.15	26,56,737.20	25,20,493.60
(ii) Lease liabilities	1.16	5,053.68	5,352.15
(iii) Other financial liabilities	1.17	7,750.00	7,096.00
Provisions	1.18	557.35	399.63
Deferred tax liabilities (net)	1.6	50,840.74	46,103.76
Other non-current liabilities	1.23(a)	1,055.00	708.79
		<b>27,21,993.97</b>	<b>25,80,153.93</b>
<b>Current liabilities</b>			
Financial Liabilities			
(i) Borrowings	1.19	12,19,505.80	11,49,738.33
(ii) Trade Payables	1.20	3,164.94	3,018.54
(iii) Lease Liabilities	1.21	1,603.01	1,614.95
(iv) Other financial liabilities	1.22	80,600.79	69,622.50
Other current liabilities	1.23	1,961.85	2,333.73
Provisions	1.24	159.41	182.71
Current Tax Liabilities (net)	1.25	71.57	-
		<b>13,07,067.37</b>	<b>12,26,510.76</b>
<b>TOTAL</b>		<b>47,34,845.78</b>	<b>44,87,731.40</b>

For Hinduja Leyland Finance Limited

*Va*

Sachin Pillai  
Managing Director & CEO

Place : Chennai  
Date : 21 July 2024



Particulars	Note No.	Quarter ended June 30, 2024	Quarter ended March 31, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024
		Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
<b>Income</b>					
Revenue from operations	2.1	1,37,684.19	1,38,275.67	99,334.84	4,65,990.33
<b>Total Income</b>		<b>1,37,684.19</b>	<b>1,38,275.67</b>	<b>99,334.84</b>	<b>4,65,990.33</b>
<b>Expenses</b>					
Employee benefits expense	2.2	10,522.91	9,824.69	6,724.46	34,061.55
Finance costs	2.3	80,865.77	73,138.70	54,676.38	2,56,161.22
Depreciation and amortisation expense	1.1 and 1.2	1,897.15	1,671.02	634.26	4,608.94
Impairment on financial assets	2.4	14,812.19	16,476.31	14,019.54	57,284.65
Net loss on fair value changes		-	66.17	-	66.17
Other expenses	2.5	11,821.65	8,333.32	6,006.34	29,257.29
<b>Total Expenses</b>		<b>1,19,919.67</b>	<b>1,09,510.21</b>	<b>82,060.98</b>	<b>3,81,439.82</b>
<b>Profit before share of profit of equity accounted investee and income tax</b>		<b>17,764.52</b>	<b>28,765.46</b>	<b>17,273.86</b>	<b>84,550.51</b>
Share of loss of equity accounted investee (net of income tax)		(88.87)	(35.82)	(79.41)	(412.48)
<b>Profit before tax</b>		<b>17,675.65</b>	<b>28,729.64</b>	<b>17,194.45</b>	<b>84,138.03</b>
<b>Tax expense:</b>					
Current tax		3,919.96	5,383.22	3,118.42	15,024.78
Deferred tax		796.44	1,787.74	1,021.91	5,471.05
<b>Tax expense</b>		<b>4,716.40</b>	<b>7,170.96</b>	<b>4,140.33</b>	<b>20,495.83</b>
<b>Net profit for the year</b>		<b>12,959.25</b>	<b>21,558.68</b>	<b>13,054.12</b>	<b>63,642.20</b>
<b>Other Comprehensive Income</b>					
A (i) Items that will not be reclassified to Profit or Loss					
Remeasurement of defined benefit plans		(28.33)	(134.40)	17.78	(85.76)
Share of other comprehensive income of joint venture and associate		1.84	(12.04)	12.07	13.95
(ii) Income tax relating to items that will not be reclassified to profit or loss					
Remeasurement of defined benefit plans		7.13	33.75	(4.47)	21.51
Share of other comprehensive income of joint venture and associate		(0.46)	2.94	(3.04)	(3.60)
B (i) Items that will be reclassified to Profit or Loss					
Fair value gain on financial assets carried at Fair Value through OCI		16,074.63	77,911.47	(2,200.85)	76,855.12
Net Loss On Cashflow Hedge Reserve		(387.88)	(165.13)	-	(165.13)
(ii) Income tax relating to items that will be reclassified to Profit or Loss		(3,948.44)	(19,568.32)	554.00	(19,302.32)
<b>Other Comprehensive Income</b>		<b>11,718.49</b>	<b>58,068.27</b>	<b>(1,624.51)</b>	<b>57,333.77</b>
<b>Total Comprehensive Income</b>		<b>24,677.74</b>	<b>79,626.95</b>	<b>11,429.61</b>	<b>1,20,975.97</b>
Earnings per equity share (Face value Re.10 each)					
- Basic (in Rs.)		2.42	4.03	2.44	11.89
- Diluted (in Rs.)		2.42	4.03	2.44	11.89

For Hinduja Leyland Finance Limited


Sachin Pillai  
Managing Director & CEOPlace : Chennai  
Date : 21 July 2024

**Hinduja Leyland Finance Limited**

**Notes annexed to and forming part of the unaudited special purpose consolidated financial information**

1. During FY 2022-23, the Board of Directors of Parent had approved the Scheme of Merger by absorption of Parent into NXT DIGITAL Limited (currently NDL Ventures Limited), subject to the receipt of approvals from various statutory and regulatory authorities, respective shareholders and creditors, at a share exchange ratio of Twenty-five equity shares of face value of Rs. 10/- each of NDL Ventures Limited for every Ten equity shares of face value of Rs.10/- each held in Parent. In this regard, Parent has obtained a No-Objection Certificate from the Reserve Bank of India. Subsequently, NDL Ventures Limited has also applied to the Reserve Bank of India for registration as a Non-Banking Financial Company (NBFC), which is currently under process.
2. The Group is primarily engaged into lending business. The Group has its operations within India and all revenues are generated within India. As such, there are no separate reportable segment as per the provisions of Ind AS 108 'Operating Segments'.
3. The figures of the previous periods have been regrouped and/or reclassified to confirm to the current period's classification. Such regrouping and/or reclassification are not material to the special purpose consolidated financial information.

For Hinduja Leyland Finance Limited



Sachin Pillai  
Managing Director & CEO

Place : Chennai  
Date : 21 July 2024



**Walker Chandio & Co LLP**  
16<sup>th</sup> Floor, Tower III,  
One International Center,  
S B Marg, Prabhadevi (W),  
Mumbai – 400 013  
Maharashtra, India.

**Suresh Surana & Associates LLP**  
"Apex Towers" 2<sup>nd</sup> & 4<sup>th</sup> Floor,  
No.54 (Old No.42),  
Second Main Road, R.A. Puram,  
Chennai – 600 028  
Tamil Nadu, India.

## **Independent Auditor's Report**

**To the Members of Hinduja Leyland Finance Limited**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

1. We have audited the accompanying standalone financial statements of Hinduja Leyland Finance Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

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

We have determined the matters described below to be the key audit matters to be communicated in our report.



Key audit matter	How our audit addressed the key audit matter
<p><b>1. Impairment of financial assets (loans) based on Expected Credit Losses (ECL)</b> (Refer note 3.6 for material accounting policy and notes 6 and 43 for financial disclosures in the accompanying standalone financial statements)</p> <p>As at 31 March 2024, the Company reported total gross loans of ₹ 3,003,798 lakhs (31 March 2023: ₹ 2,306,471 lakhs) and expected credit loss provisions of ₹ 80,137 lakhs (31 March 2023: ₹ 63,599 lakhs).</p> <p>Ind AS 109, Financial Instruments ('Ind AS 109') requires the Company to provide for impairment of its financial assets using the expected credit loss ('ECL') approach involving an estimation of probability of loss on the financial assets, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's financial assets.</p> <p>Expected credit loss cannot be measured precisely but can only be estimated through use of statistics. The estimation of impairment loss allowance on financial instruments involves significant judgement and estimates and applying appropriate measurement principles, including additional considerations on account of Reserve Bank of India guidelines in relation to COVID-19 regulatory package and restructuring. The Company has involved an external expert to measure probability of default (PD), loss given default (LGD), in accordance with Ind AS 109.</p> <p>The Company measures 12-month ECL for Stage 1 loan assets and lifetime ECL for Stage 2 and Stage 3 loan assets. Significant management judgment and assumptions involved in measuring ECL is required with respect to:</p> <ul style="list-style-type: none"> <li>• segmentation of loan assets in buckets based on common risk characteristics.</li> <li>• staging of loans and in particular determining the criteria, which includes qualitative factors for identifying a significant increase in credit risk (i.e. Stage 2) and credit-impaired (i.e. Stage-3) including the days past due.</li> <li>• factoring in future macro-economic and industry specific estimates and forecasts.</li> <li>• past experience and forecast data on customer behaviour on repayments.</li> </ul>	<p>Our audit focused on assessing the appropriateness of management's judgment and estimates used in the expected credit losses through procedures which included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• Examined the policy approved by the Board of Directors ('Board') with respect to process and procedures for assessing and measuring credit risk on the lending exposures of the Company and evaluated its appropriateness in accordance with the requirements of Ind AS 109.</li> <li>• Evaluated the design and tested the operating effectiveness of controls across the process relevant to ECL measurement, including around the judgements and estimates made by the management. These controls, amongst others, included controls over the allocation of assets into stages along with management's monitoring of and completeness of the underlying data used in the models, credit monitoring, passing of journal entries and preparing disclosures.</li> <li>• With respect to management expert involved for the Company's modelling approach, we obtained the deliverables of the expert submitted to the management and assessed the professional competence and objectivity of such management expert.</li> <li>• Tested the completeness of loans included in the ECL calculations as of 31 March 2024 by reconciling such data with the balances as per loan book register.</li> <li>• Tested, on a sample basis, the appropriateness of determining EAD, the data used in the PD and LGD model for ECL calculation by reconciling it to the source information systems of the Company. Further, tested classification of assets into stage 1, 2 and 3 categories, on a sample basis, to verify that these were allocated to the appropriate stage.</li> <li>• With the support of auditor's expert, obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions. Challenged the management on post model adjustments, considering the size and complexity of management overlays, in order to assess the reasonableness of the adjustments.</li> </ul>



Key audit matter	How our audit addressed the key audit matter
<ul style="list-style-type: none"> <li>varied statistical modelling techniques to determine PD, LGD and exposure at default (EAD) basis the default history of loans, subsequent recoveries made and other relevant factors using probability-weighted scenarios.</li> <li>effect of discounting the cash flows by estimating the timing of expected credit shortfalls associated with the defaults.</li> </ul> <p>Impairment losses in addition to the model-driven ECL results are recorded as overlays by management, to address known impairment model limitations or emerging trends as well as risks not captured by models.</p> <p>As at 31 March 2024, overlays represent approximately 34% of the ECL balances. These adjustments required significant management judgement.</p> <p>Determining ECL on the financial assets also requires compliance with key disclosure requirements as prescribed under the standards and by the Reserve Bank of India, to explain the key judgements and assumptions made by the management in the measurement.</p> <p>Considering the significance of the above matter to the standalone financial statements and since the matter required our significant attention to test the calculation of expected credit losses, we have identified this as a key audit matter for current year audit.</p>	<ul style="list-style-type: none"> <li>Performed an overall assessment of the ECL provision levels at each stage, including management's assessment and provision on account of the Company's portfolio as well as the macroeconomic environment.</li> <li>On a test check basis, ensured compliance with RBI Master Circular on 'Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to advances' ('IRACP') read with RBI circular on 'Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications' dated 12 November 2021 along with RBI notification RBI/2021-2022/158 dated 15 February 2022, in relation to identification, upgradation and provisioning of non-performing assets (NPAs) and ensured that the Company has considered NPAs as credit impaired loans.</li> <li>Obtained written representations from the management in relation to appropriateness of such ECL methodology and reasonableness of the judgements and assumptions used.</li> <li>Assessed the appropriateness and adequacy of the related presentation and disclosures in the accompanying standalone financial statements in accordance with the applicable Indian Accounting Standards and related RBI circulars and Resolution Framework.</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p><b>2. Financial assets measured at fair value through other comprehensive income (FVTOCI)</b> (Refer note 3.3 for material accounting policy and 6 of standalone financial statements)</p> <p>As at 31 March 2024, the Company has loans amounting to ₹ 2,091,339 lakhs (31 March 2023: ₹ 1,491,487 lakhs) that are carried and measured at FVTOCI in accordance with Ind AS 109.</p> <p>The classification of such loans at FVTOCI is dependent on the business model adopted by the Company to manage such financial assets in order to generate cash flows.</p>	<p>Our audit procedures in relation to financial assets measured at FVTOCI included, but were not limited, to the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the 'Business Model Policy Note' approved by the Board of Directors of the Company, and evaluated whether the identified loan portfolio would satisfy the conditions of Ind AS 109 for measurement at FVTOCI.</li> <li>Assessed the design and tested the operating effectiveness of managements' key internal controls over inputs used in the valuation model.</li> </ul>



Key audit matter	How our audit addressed the key audit matter
<p>The management has determined that their business model of aforesaid loans is to collect contractual cash flows (solely payments of principal and interest on the amount outstanding) and also to sell such financial assets, and hence, such loans are classified at FVTOCI in accordance with the principles of Ind AS 109.</p> <p>In measuring these loans, valuation methods are used based on inputs that are not directly observable from market information and certain other unobservable inputs. The management has used the services of an independent professional valuer for arriving at the fair value of aforesaid loan assets. Such fair value is derived using discounted cash flow models wherein the key assumptions include discount rate and adjustment for credit risk including default risk.</p> <p>Given the subjectivity involved in ascertaining the business model and the fair valuation of the aforesaid loans, relative significance of these loans to the standalone financial statements and the nature and extent of audit procedures involved, we determined this to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>• Obtained the valuation report of the management's valuation expert involved and assessed the expert's competence and objectivity in performing the valuation of these loans.</li> <li>• With the support of our internal specialists, assessed whether the valuation methodology adopted by the management's expert is appropriate and tested the reasonableness of the underlying assumptions used such as discount rates to estimate the fair value of the said loans by performing independent sensitivity analysis. Also, tested the completeness of source data and arithmetical accuracy of the management working.</li> <li>• Assessed the appropriateness and adequacy of disclosures made in the standalone financial statements with respect to Company's exposure to financial instrument valuation risk as per the requirements of the Indian Accounting standards.</li> <li>• Obtained written representations from the management in relation to reasonableness of the assumptions and judgements used in the valuation of these loans.</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p><b>3. Information Technology ("IT") Systems and Controls for the financial reporting process</b></p> <p>The Company is highly dependent on its information technology (IT) systems for carrying on its operations which require large volume of transactions to be processed in numerous locations on a daily basis. The financial accounting system of the Company is integrated with several other modules including Loan Management, Originating and Collection modules and other workflows.</p> <p>As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the Company. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting.</p>	<p>In our audit, our focus was on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems. We performed a range of audit procedures with the involvement of our IT specialists, which included but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the Company's IT related control environment, IT applications, databases and IT Infrastructure. Based on our understanding, we have evaluated and tested relevant IT general controls and IT application controls on the systems identified as relevant for our audit of the standalone financial statements.</li> <li>• On such in-scope IT systems, we have tested key IT general controls with respect to the following domains:</li> </ul>



Key audit matter	How our audit addressed the key audit matter
<p>The accuracy and reliability of the financial reporting process depends on the IT systems and the related control environment, including:</p> <ul style="list-style-type: none"> <li>• IT general controls over user access management and change management across applications, networks, database, and operating systems;</li> <li>• IT application controls.</li> </ul> <p>Due to the pervasive nature and importance of the role of IT systems and related control environment on the Company's financial reporting process, we have identified testing of such IT systems and related control environment as a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> <li>a. User access management, which includes user access provisioning, de-provisioning, access review, password policies, sensitive access rights and segregation of duties to ensure that privileged access to applications, operating system and databases in the production environment were granted only to authorized personnel;</li> <li>b. Program change management, which includes controls on moving program changes to production environment by authorised personnel as per defined policy and procedures along with adequate segregation of environment;</li> <li>c. Other areas that were assessed under the IT control environment included backup management, incident management, batch processing and interfaces.</li> </ul> <ul style="list-style-type: none"> <li>• Reviewed the report of Information System Audit carried out in the current and previous years by a firm engaged by management, pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting and discussed the deficiencies with the management along with corresponding mitigating actions undertaken.</li> <li>• Evaluated the design and tested the operating effectiveness of key automated controls within various business processes, including testing of relevant system logic and corresponding automated calculations and process for automated accounting entries, as applicable. Where deficiencies were identified, tested compensating controls and/or performed additional substantive audit procedures as required to mitigate any risk of material misstatement with respect to related financial statement line item.</li> <li>• Obtained written representations from management on whether IT general controls and automated IT controls are designed and were operating effectively during the year.</li> </ul>



**Information other than the Standalone Financial Statements and Auditor's Report thereon**

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report and Corporate Governance Report, but does not include the standalone financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating to Other Information'.

**Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

6. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the standalone financial statements, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

9. Our objectives are to obtain reasonable assurance about whether the standalone 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 Standards on Auditing 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.



10. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 standalone 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 Board of Directors' 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 standalone 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 and
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

11. 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.
12. 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.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



**Report on Other Legal and Regulatory Requirements**

14. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
15. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
16. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying standalone financial statements;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The standalone financial statements dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2024 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 standalone financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company, as detailed in note 36 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;
    - ii. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;
    - iv.
      - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 53 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;



- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 53 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2024.
- vi. Based on our examination which included test checks, the Company, in respect of the financial year commencing on 01 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable to the Company with effect from 1 April 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31 March 2024.

**For Walker Chandlok & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013

**Rakesh Rathi**

Partner

Membership No: 045228

UDIN: 24045228BKGPLY1144

Place: Chennai

Date: 15 May 2024

**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm Registration No: 121750W/W100010

**P. Shankar Raman**

Partner

Membership No: 204764

UDIN: 24204764BKAHFB7697

Place: Chennai

Date: 15 May 2024



**Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the standalone financial statements for the year ended 31 March 2024**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in Note 9 to the standalone financial statements, are held in the name of the Company.
- (d) The Company has not revalued its property, plant and equipment including right-of-use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) As disclosed in Note 50 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crores by banks based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the unaudited books of account of the Company for the respective periods.
- (iii) (a) The Company is a Non-Banking Finance Company and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) The Company has not provided any guarantee or given any security or granted any advances in the nature of loans during the year. However, the Company has granted loans and made certain investments and, in our opinion, and according to the information and explanations given to us, such loans and investments made are, prima facie, not prejudicial to the interest of the Company.



**Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the standalone financial statements for the year ended 31 March 2024**

- (c) The Company is a Non-Banking Financial Company ('NBFC'), registered under provisions of the Reserve Bank of India Act, 1934 and rules made thereunder and is regulated by various regulations, circulars and norms issued by the Reserve Bank of India including Master Circular – Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances. In respect of loans and advances in the nature of loans granted by the Company, we report that the schedule of repayment of principal and payment of interest has been stipulated and the repayments / receipts of principal and interest are regular except for instances as below, as also disclosed under Note 43 to the standalone financial statements:

Particulars – Days Past Due	Total exposure at default for overdue loans (₹ in lakhs)	No. of Cases
1 to 30 days	309,587	104,011
31 to 60 days	180,640	72,075
61 to 90 days	76,818	38,041
More than 90 days	128,817	65,210

Having regard to the nature of business of the Company and volume of the transactions, it is impractical to furnish the item-wise listing for the above-mentioned cases of delays in repayment of principal and interest.

- (d) According to the information and explanations given to us, the total amount which is overdue for more than 90 days in respect of loans and advances in the nature of loans given in the course of the business operations of the Company aggregates to ₹ 128,817 lakhs as at 31 March 2024 in respect of 65,210 number of loans, as also disclosed in Note 43 to the standalone financial statements. Further, reasonable steps as per the policies and procedures of the Company have been taken for recovery of such principal and interest amounts overdue.
- (e) The Company is a Non-Banking Finance Company, and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment. Accordingly, reporting under clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) The Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of guarantees and security.
- (v) The provisions of the sections 73 to 76 and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), are not applicable to the Company being a non-banking financial company registered with the Reserve Bank of India ('the RBI'), and also the Company has not accepted any deposits from public or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.



**Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the standalone financial statements for the year ended 31 March 2024**

- (vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount ₹ in lakhs	Amount paid under Protest ₹ in lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax	Tax, Interest, penalty	819.43	133.08	2017-18	CIT Appeals
Odisha VAT Act, 2004	Value Added Tax	0.39	-	2012-13	High Court of Judicature at Orissa
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax	17.55	5.85	2011-12	High Court of Judicature at Hyderabad
Karnataka VAT Act, 2003	Value Added Tax	121.16	36.35	2012-13 to 2016-17	High Court of Judicature at Bangalore, Karnataka

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix)(a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks and other lenders and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained, though idle/surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person or institution or to meet the obligations of its subsidiaries, associate or joint venture.



**Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the standalone financial statements for the year ended 31 March 2024**

- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv)(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi)(a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company.
- (b) According to the information and explanations given to us, the Company has conducted Non-Banking Financial activities during the year under a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934. Further, the Company has not conducted any Housing Finance activities and hence is not required to obtain CoR for such activities from the RBI.



**Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the standalone financial statements for the year ended 31 March 2024**

- (c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, Asset Liability Maturity (ALM) pattern, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx)(a) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has transferred the remaining unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No: 001076N/N500013



**Rakesh Rathi**  
Partner  
Membership No: 045228

UDIN: 24045228BKGPLY1144

**Place: Chennai**  
**Date: 15 May 2024**



**For Suresh Surana & Associates LLP**  
Chartered Accountants  
Firm Registration No: 121750W/W100010



**P. Shankar Raman**  
Partner  
Membership No: 204764

UDIN: 24204764BKAHFB7697

**Place: Chennai**  
**Date: 15 May 2024**



Annexure B to the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the standalone financial statements for the year ended 31 March 2024

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

**Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. We have audited the internal financial controls with reference to standalone financial statements of Hinduja Leyland Finance Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note issued by the ICAI. 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 standalone financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes 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 judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.



**Annexure B to the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the standalone financial statements for the year ended 31 March 2024****Meaning of Internal Financial Controls with Reference to Standalone Financial Statements**

6. A company's internal financial controls 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 include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements**

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

**Opinion**

8. In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2024, based on the criteria for internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No: 001076N/N500013

  
Rakesh Rathi

Partner  
Membership No: 045228

UDIN: 24045228BKGPLY1144

Place: Chennai  
Date: 15 May 2024



**For Suresh Surana & Associates LLP**  
Chartered Accountants  
Firm Registration No: 121750WW/100010



P. Shankar Raman  
Partner  
Membership No: 204764

UDIN: 24204764BKAHFB7697

Place: Chennai  
Date: 15 May 2024





**HINDUJA LEYLAND FINANCE LIMITED**  
Standalone Balance Sheet as at 31 March 2024

Particulars	Note No.	INR In Lakhs	
		As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	4	2,67,138	95,503
Bank balance other than cash and cash equivalents	5	10,231	22,128
Loans	6	29,23,661	22,42,872
Investments	7	2,33,917	2,27,025
Other financial assets	8	37,586	59,500
		<u>34,92,523</u>	<u>26,38,028</u>
<b>Non-financial assets</b>			
Current tax assets (net)		9,830	6,522
Property, plant and equipment	9	31,635	9,714
Capital work-in-progress	9A	2,706	381
Other intangible assets	9B	43	53
Right of use assets	9C	4,638	4,911
Other non-financial assets	10	10,834	6,372
		<u>59,686</u>	<u>27,953</u>
<b>Total Assets</b>		<u><u>35,52,209</u></u>	<u><u>26,65,981</u></u>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Derivative financial instruments	11	165	-
Trade payables	12	-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,711	3,076
Debt securities	13	17,933	95,917
Borrowings (other than debt securities)	14	22,06,743	18,69,715
Subordinated liabilities	15	1,45,238	1,04,329
Other financial liabilities	16	72,589	58,362
		<u>29,45,379</u>	<u>21,31,399</u>
<b>Non-financial liabilities</b>			
Provisions	17	129	128
Deferred tax liabilities (net)	31	31,868	20,575
Other non-financial liabilities	18	2,233	564
		<u>34,230</u>	<u>21,267</u>
<b>EQUITY</b>			
Equity share capital	19	53,516	53,502
Other equity	20	5,19,086	4,59,813
		<u>5,72,600</u>	<u>5,13,315</u>
<b>Total liabilities and equity</b>		<u><u>35,52,209</u></u>	<u><u>26,65,981</u></u>

Summary of Material accounting policy information

3

The notes referred to above form an integral part of these standalone financial statements

As per our report of even date  
for Walker Chandio & Co LLP  
Chartered Accountants  
Firm Registration No: 001076N/N500013

For and on behalf of the Board of Directors of  
Hinduja Leyland Finance Limited  
CIN : U65993MH2008PEC384221

  
Rakesh Rathi  
Partner  
Membership No: 045228



  
Dheeraj G Hinduja  
Chairman  
DIN No : 00133410

  
Sachin Pillai  
Managing Director & CEO  
DIN No : 06400793

for Suresh Surana & Associates LLP  
Chartered Accountants  
Firm Registration No: 121750W/W100010



P Shankar Raman  
Partner  
Membership No: 204764



  
Vikas Jain  
Chief Financial Officer

  
R Srividhya  
Company Secretary  
Membership No: A22261

Place : Chennai  
Date : 15 May 2024





**HINDUJA LEYLAND FINANCE LIMITED**  
**Standalone Statement of Profit and Loss for the year ended 31 March 2024**

INR In Lakhs			
Particulars	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
<b>Revenue from operations</b>			
Interest income	21	3,09,087	2,49,212
Fees and commission income	22	6,504	5,499
Net gain on fair value changes		1,977	571
Net gain on derecognition of financial instruments	23	22,866	19,645
Rental income		3,033	-
<b>Total revenue from operations</b>		<b>3,43,467</b>	<b>2,75,027</b>
Other income	24	1,814	498
<b>Total Income</b>		<b>3,45,281</b>	<b>2,75,525</b>
<b>Expenses</b>			
Finance costs	25	2,01,577	1,39,924
Fees and commission expense	26	9,925	6,435
Impairment on financial assets	27	51,171	60,595
Employee benefits expense	28	20,782	15,523
Depreciation and amortization expense	29	3,843	1,717
Others expenses	30	12,521	14,145
<b>Total expenses</b>		<b>2,99,819</b>	<b>2,38,339</b>
<b>Profit before tax</b>		<b>45,462</b>	<b>37,186</b>
<b>Tax expense:</b>	31		
Current tax		8,561	9,634
Deferred tax		2,875	(129)
<b>Total Taxes</b>		<b>11,439</b>	<b>9,505</b>
<b>Net profit for the year</b>		<b>34,023</b>	<b>27,681</b>
<b>Other comprehensive income</b>			
(A) (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(55)	84
(iii) Income tax relating to items that will not be reclassified to profit or loss		14	(21)
(B) (i) Items that will be reclassified to profit or loss			
(ii) (a) Fair value gain/(loss) on financial assets carried at Fair Value Through Other Comprehensive Income (FVTOCI)		33,669	13,297
(ii) Effective portion of loss on designated portion of hedging instruments in a cashflow hedge		(165)	-
(ii) Income tax relating to items that will be reclassified to profit or loss		(8,431)	(1,095)
<b>Total other comprehensive income</b>		<b>25,023</b>	<b>9,265</b>
<b>Total comprehensive income</b>		<b>59,046</b>	<b>36,946</b>
<b>Earnings per equity share (face value Rs.10 each)</b>	32		
- Basic (in Rs.)		6.36	5.53
- Diluted (in Rs.)		6.36	5.53

Summary of Material accounting policy information. 3  
The notes referred to above form an integral part of these standalone financial statements.

As per our report of even date  
for Walker Chandok & Co LLP  
Chartered Accountants  
Firm Registration No: 001676N/8500013

  
**Rakesh Rathi**  
Partner  
Membership No: 045278



For and on behalf of the Board of Directors of  
Hinduja Leyland Finance Limited  
CIN : U65993MH2000PLC304221

  
**Dhirendra G. Hinduja**  
Chairman  
DIN No : 00133410

  
**Sachin Pillai**  
Managing Director & CEO  
DIN No : 06400791

for Suresh Surana & Associates LLP  
Chartered Accountants  
Firm Registration No: 121750W/W100010



**P. Shankar Ramani**  
Partner  
Membership No: 204764  
Place : Chennai  
Date : 15 May 2024





**Vilas Jain**  
Chief Financial Officer

  
**R. Sridhara**  
Company Secretary  
Membership No: A22261





**HINDUJA LEYLAND FINANCE LIMITED**  
Standalone Statement of cash flow for the year ended 31 March 2024

Particulars	INR In Lakhs	
	Year ended 31 March 2024	Year ended 31 March 2023
<b>A. Cash flow from operating activities</b>		
Net profit before tax	45,462	37,186
Adjustments for:		
Depreciation and amortization expense	3,843	1,717
Profit on disposal of property, plant and equipment (PPE)	(43)	(14)
Net gain on fair value changes of investment	(1,977)	(671)
Finance costs	2,01,577	1,39,924
Interest income	(3,09,280)	(2,49,473)
Net gain on derecognition of financial instruments	(22,866)	(19,643)
Provision for expected credit loss and amounts written off	46,742	57,355
Impairment loss on other receivables	4,429	3,240
Share based payment expense	159	80
<b>Operating cash flow before working capital changes</b>	<b>(31,954)</b>	<b>(30,301)</b>
Adjustments for (increase) / decrease in operating assets:		
Loans	(6,93,870)	(4,81,616)
Other non-financial assets	(3,395)	(886)
Other financial assets	31,769	236
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(365)	(52)
Other financial liabilities	10,020	(3,648)
Other non financial liabilities and provisions	687	(445)
<b>Net cash used in operations before adjustments for interest received and interest paid</b>	<b>(6,87,108)</b>	<b>(5,16,712)</b>
Cash outflow towards finance cost	(1,87,802)	(1,35,137)
Cash inflow from interest income	3,08,622	2,49,245
	1,20,820	1,14,108
Taxes paid (net)	(11,872)	(6,881)
<b>Net cash used in operating activities (A)</b>	<b>(5,78,160)</b>	<b>(4,89,485)</b>
<b>B. Cash flow from investing activities</b>		
Investment in pass through securities, mutual fund and security receipts (net)	21,869	(50,214)
Investment in redeemable non-convertible debentures	(45,799)	(18,343)
Redemption of redeemable non-convertible debentures	23,036	3,390
Investment in equity shares of subsidiary companies	(4,021)	(16,022)
Proceeds from dissolution of a subsidiary	-	99
Bank deposits placed (having original maturity of more than three months)(net)	(8,093)	(18,111)
Purchase of PPE, intangible including capital work-in-progress and capital advances	(25,655)	(1,161)
Proceeds from disposal of PPE and intangibles	61	97
Interest on fixed deposits	240	147
<b>Net cash used in investing activities (B)</b>	<b>(38,362)</b>	<b>(1,00,118)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares including securities premium	80	91,125
Proceeds from long term borrowings	14,68,824	10,52,047
Repayment of long term borrowings	(8,17,786)	(6,35,056)
Proceeds from working capital loan / cash credit and commercial paper (net)	1,38,842	18,714
Payment of lease liabilities	(1,803)	(1,503)
<b>Net cash generated from financing activities (C)</b>	<b>7,88,157</b>	<b>5,25,327</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>1,71,635</b>	<b>15,724</b>
Cash and cash equivalents at the beginning of the year	95,503	79,779
Cash and cash equivalents at the end of the year	2,67,138	95,503





**HINDUJA LEYLAND FINANCE LIMITED**  
Standalone Statement of cash flow for the year ended 31 March 2024

Particulars	Note	INR In Lakhs	
		As at 31 March 2024	As at 31 March 2023
Components of cash and cash equivalents:	4		
Cash and cheques on hand		14,492	6,770
Balances with banks - In Current Accounts		1,17,579	88,733
Balances with banks - FD original maturity less than 3 months		1,35,067	-
		<u>2,67,138</u>	<u>95,503</u>

**Change in liabilities arising from financing activities**

Particulars	01 April 2023	Cash Flow (+)	IndAS Adjustments (-)	31 March 2024
Debt securities	95,917	(79,112)	(1,128)	17,933
Borrowings (other than debt securities)	18,69,715	8,31,345	(5,683)	27,06,743
Subordinated liabilities	1,04,329	37,647	(3,263)	1,45,238
Lease liabilities	5,193	(1,803)	(1,668)	5,058

Particulars	01 April 2022	Cash Flow (+)	IndAS Adjustments (-)	31 March 2023
Debt securities	1,32,816	(36,982)	(83)	95,917
Borrowings (other than debt securities)	13,75,767	4,91,401	(2,547)	18,69,715
Subordinated liabilities	1,22,141	(18,714)	(902)	1,04,329
Lease liabilities	3,923	(1,503)	(2,773)	5,193

Refer Note no.40 for amount spent towards Corporate Social Responsibility expenditure

The notes referred to above form an integral part of these standalone financial statements.

As per our report of even date  
for **Walker Chandok & Co LLP**  
Chartered Accountants  
Firm Registration No: 001076N/N500013

  
**Rakesh Rathi**  
Partner  
Membership No: 045228



For and on behalf of the Board of Directors of  
**Hinduja Leyland Finance Limited**  
CIN : U65993MH2008PLC384221

  
**Dharmraj G. Hinduja**  
Chairman  
DIN No : 00133410

  
**Sachin Pillai**  
Managing Director & CEO  
DIN No : 06400793

for **Suresh Surana & Associates LLP**  
Chartered Accountants  
Firm Registration No: 121750W/W100010

  
**P. Shankar Raman**  
Partner  
Membership No: 20476  
Place : Chennai  
Date : 15 May 2024



  
**Vikas Jain**  
Chief Financial Officer

  
**R. Srividhya**  
Company Secretary  
Membership No: A72261





**HINDUJA LEYLAND FINANCE LIMITED**  
**Standalone Statement of changes in equity for the year ended 31 March 2024**

**A Equity share capital**

Particulars	INR In Lakhs	
	Number of shares	Amount
Balance as at 1 April 2022	46,98,92,990	46,989
Change in equity share capital during the year		
Add: Issued during the year	6,51,27,000	6,513
Balance as at 31 March 2023	53,50,19,990	53,502
Change in equity share capital during the year		
Add: Issued during the year	1,42,500	14
Balance as at 31 March 2024	53,51,62,490	53,516

B Other equity	Reserves and Surplus				Other items of other comprehensive income		Total
	Statutory reserve u/s 45-IC of The Reserve Bank of India Act, 1934	Securities premium	Other reserves - Employee stock option outstanding account	Retained earnings	Fair value (loss)/gain on financial assets	Effective portion of cashflow hedge	
Balance as at 1 April 2022	30,301	96,700	378	1,46,367	55,423	-	3,38,175
Share based expenses	-	-	80	-	-	-	80
Premium on issue of share capital	-	84,612	-	-	-	-	84,612
Profit for the year	-	-	-	27,681	-	-	27,681
Transfer to / from reserve	5,536	-	-	(5,536)	-	-	-
Other comprehensive income (net of tax)	-	-	-	63	9,202	-	9,265
Balance as at 31 March 2023	44,837	1,81,318	458	1,68,575	64,625	-	4,59,813
Share based expenses	-	-	159	-	-	-	159
Premium on issue of share capital	-	66	-	-	-	-	66
Profit for the year	-	-	-	34,023	-	-	34,023
Transfer to / from reserve	6,805	-	-	(6,805)	-	-	-
Other comprehensive income/(loss) (net of tax)	-	-	-	(41)	25,188	(124)	25,023
Balance as at 31 March 2024	51,642	1,81,384	617	1,95,752	89,813	(124)	5,19,084

Summary of Material accounting policy information.

Note 3

The notes referred to above form an integral part of these standalone financial statements.

As per our report of even date  
for Walker Chandioh & Co LLP  
Chartered Accountants  
Firm Registration No: 0010786/N200013

For and on behalf of the Board of Directors of  
Hinduja Leyland Finance Limited  
CTIN : U65993MH12008PLC184221

  
**Rakesh Rathi**  
Partner  
Membership No: 045228



  
**Dheeraj G Hinduja**  
Chairman  
DIN No : 00135410

  
**Sachin Pillai**  
Managing Director & CEO  
DIN No : 06400793

for: Suresh Surana & Associates LLP  
Chartered Accountants  
Firm Registration No: 121750W/W100010



**P. Shunkar Raman**  
Partner  
Membership No: 204764



  
**Vilas Jain**  
Chief Financial Officer

  
**R. Srividhya**  
Company Secretary  
Membership No: A22261

Place : Chennai  
Date : 15 May 2024



**Walker Chandio & Co LLP**

16<sup>th</sup> Floor, Tower III,  
One International Center,  
S B Marg, Prabhadevi (W),  
Mumbai – 400 013  
Maharashtra, India.

**Suresh Surana & Associates LLP**

"Apex Towers" 2<sup>nd</sup> & 4<sup>th</sup> Floor,  
No.54 (Old No.42),  
Second Main Road, R.A. Puram,  
Chennai – 600 028  
Tamil Nadu, India.

**Independent Auditor's Report****To the Members of Hinduja Leyland Finance Limited****Report on the Audit of the Consolidated Financial Statements****Opinion**

1. We have audited the accompanying consolidated financial statements of Hinduja Leyland Finance Limited ('the Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group'), its associate and joint venture, as listed in Annexure A, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associate and joint venture, referred to in paragraph 15 of Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associate and joint venture, as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

**Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associate and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated 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 together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.



**Key Audit Matters**

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associate and joint venture were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

**A. Key audit matters of the Parent**

Key audit matter	How our audit addressed the key audit matter
<p><b>1. Impairment of financial assets (loans) based on Expected Credit Losses (ECL)</b></p> <p>As at 31 March 2024, the Parent reported total gross loans of ₹ 3,003,798 lakhs (31 March 2023: ₹ 2,306,471 lakhs) and expected credit loss provisions of Rs. ₹ 80,137 lakhs (31 March 2023: ₹ 63,599 lakhs).</p> <p>Ind AS 109, Financial Instruments ('Ind AS 109') requires the Parent to provide for impairment of its financial assets using the expected credit loss ('ECL') approach involving an estimation of probability of loss on the financial assets, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Parent's financial assets.</p> <p>Expected credit loss cannot be measured precisely but can only be estimated through use of statistics. The estimation of impairment loss allowance on financial instruments involves significant judgement and estimates and applying appropriate measurement principles, including additional considerations on account of Reserve Bank of India guidelines in relation to COVID-19 regulatory package and restructuring. The Parent has involved an external expert to measure probability of default (PD), loss given default (LGD), in accordance with Ind AS 109.</p> <p>The Parent measures 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. Significant management judgment and assumptions involved in measuring ECL is required with respect to:</p>	<p>Our audit focused on assessing the appropriateness of management's judgment and estimates used in the expected credit losses through procedures which included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Examined the policy approved by the Board of Directors ('Board') with respect to process and procedures for assessing and measuring credit risk on the lending exposures of the Parent and evaluated its appropriateness in accordance with the requirements of Ind AS 109.</li> <li>• Evaluated the design and tested the operating effectiveness of controls across the process relevant to ECL measurement, including around the judgements and estimates made by the management. These controls, amongst others, included controls over the allocation of assets into stages along with management's monitoring of and completeness of the underlying data used in the models, credit monitoring, passing of journal entries and preparing disclosures.</li> <li>• With respect to management expert involved for the Parent's modelling approach, we obtained the deliverables of the expert submitted to the management and assessed the professional competence and objectivity of such management expert.</li> <li>• Tested the completeness of loans included in the ECL calculations as of 31 March 2024 by reconciling such data with the balances as per loan book register.</li> <li>• Tested, on a sample basis, the appropriateness of determining EAD, the data used in the PD and LGD model for ECL calculation by reconciling it to the source information systems of the Parent. Further, tested classification of assets into stage 1, 2 and 3 categories, on a sample basis, to verify that these were allocated to the appropriate stage.</li> </ul>



Key audit matter	How our audit addressed the key audit matter
<ul style="list-style-type: none"> <li>segmentation of loan assets in buckets based on common risk characteristics.</li> <li>staging of loans and in particular determining the criteria, which includes qualitative factors for identifying a significant increase in credit risk (i.e. Stage 2) and credit-impaired (i.e. Stage-3) including the days past due.</li> <li>factoring in future macro-economic and industry specific estimates and forecasts.</li> <li>past experience and forecast data on customer behaviour on repayments.</li> <li>varied statistical modelling techniques to determine PD, LGD and exposure at default (EAD) basis the default history of loans, subsequent recoveries made and other relevant factors using probability-weighted scenarios.</li> <li>effect of discounting the cash flows by estimating the timing of expected credit shortfalls associated with the defaults.</li> </ul> <p>Impairment losses in addition to the model-driven ECL results are recorded as overlays by management, to address known impairment model limitations or emerging trends as well as risks not captured by models.</p> <p>As at 31 March 2024, overlays represent approximately 34% of the ECL balances. These adjustments required significant management judgement.</p> <p>Determining ECL on the financial assets also requires compliance with key disclosure requirements as prescribed under the standards and by the Reserve Bank of India, to explain the key judgements and assumptions made by the management in the measurement.</p> <p>Considering the significance of the above matter to the consolidated financial statements and since the matter required our significant attention to test the calculation of expected credit losses, we have identified this as a key audit matter for current year audit.</p>	<ul style="list-style-type: none"> <li>With the support of auditor's expert, obtained an understanding of the modelling techniques adopted by the Parent including the key inputs and assumptions. Challenged the management on post model adjustments, considering the size and complexity of management overlays, in order to assess the reasonableness of the adjustments.</li> <li>Performed an overall assessment of the ECL provision levels at each stage, including management's assessment and provision on account of the Parent's portfolio as well as the macroeconomic environment.</li> <li>On a test check basis, ensured compliance with RBI Master Circular on 'Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to advances' ('IRACP') read with RBI circular on 'Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications' dated 12 November 2021 along with RBI notification RBI/2021-2022/158 dated 15 February 2022, in relation to identification, upgradation and provisioning of non-performing assets (NPAs) and ensured that the Parent has considered NPAs as credit impaired loans.</li> <li>Obtained written representations from the management in relation to appropriateness of such ECL methodology and reasonableness of the judgements and assumptions used.</li> <li>Assessed the appropriateness and adequacy of the related presentation and disclosures in the accompanying consolidated financial statements in accordance with the applicable accounting standards and related RBI circulars and Resolution Framework.</li> </ul>



Key audit matter	How our audit addressed the key audit matter
<p><b>2. Financial assets measured at fair value through other comprehensive income (FVTOCI)</b></p> <p>As at 31 March 2024, the Parent has loans amounting to ₹ 2,091,339 lakhs (31 March 2023: ₹ 1,491,487 lakhs) that are carried and measured at FVTOCI in accordance with Ind AS 109.</p> <p>The classification of such loans at FVTOCI is dependent on the business model adopted by the Parent to manage such financial assets in order to generate cash flows.</p> <p>The management has determined that their business model of aforesaid loans is to collect contractual cash flows (solely payments of principal and interest on the amount outstanding) and also to sell such financial assets, and hence, such loans are classified at FVTOCI in accordance with the principles of Ind AS 109.</p> <p>In measuring these loans, valuation methods are used based on inputs that are not directly observable from market information and certain other unobservable inputs. The management has used the services of an independent professional valuer for arriving at the fair value of aforesaid loan assets. Such fair value is derived using discounted cash flow models wherein the key assumptions include discount rate and adjustment for credit risk including default risk.</p> <p>Given the subjectivity involved in ascertaining the business model and the fair valuation of the aforesaid loans, relative significance of these loans to the consolidated financial statements and the nature and extent of audit procedures involved, we determined this to be a key audit matter.</p>	<p>Our audit procedures in relation to financial assets measured at FVTOCI included, but were not limited, to the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the 'Business Model Policy Note' approved by the Board of Directors of the Parent, and evaluated whether the identified loan portfolio would satisfy the conditions of Ind AS 109 for measurement at FVTOCI.</li> <li>• Assessed the design and tested the operating effectiveness of managements' key internal controls over inputs used in the valuation model.</li> <li>• Obtained the valuation report of the management's valuation expert involved and assessed the expert's competence and objectivity in performing the valuation of these loans.</li> <li>• With the support of our valuation specialists, assessed whether the valuation methodology adopted by the management's expert is appropriate and tested the reasonableness of the underlying assumptions used such as discount rates to estimate the fair value of the said loans by performing independent sensitivity analysis. Also, tested the completeness of source data and arithmetical accuracy of the management working.</li> <li>• Assessed the appropriateness and adequacy of disclosures made in the consolidated financial statements with respect to Parent's exposure to financial instrument valuation risk as per the requirements of the Indian Accounting standards.</li> <li>• Obtained written representations from the management in relation to reasonableness of the assumptions and judgements used in the valuation of these loans.</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p><b>3. Information Technology ("IT") Systems and Controls for the financial reporting process</b></p> <p>The Parent is highly dependent on its information technology (IT) systems for carrying on its operations which require large volume of transactions to be processed in numerous locations on a daily</p>	<p>In our audit, our focus was on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems. We performed a range of audit procedures with the involvement of our IT specialists, which included but were not limited to, the following:</p>



Key audit matter	How our audit addressed the key audit matter
<p>basis. The financial accounting system of the Parent is integrated with several other modules including Loan Management and Originating modules and other workflows.</p> <p>As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the Parent. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting.</p> <p>The accuracy and reliability of the financial reporting process depends on the IT systems and the related control environment, including:</p> <ul style="list-style-type: none"> <li>• IT general controls over user access management and change management across applications, networks, database, and operating systems;</li> <li>• IT application controls.</li> </ul> <p>Due to the pervasive nature and importance of the role of IT systems and related control environment on the Parent's financial reporting process, we have identified testing of such IT systems and related control environment as a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> <li>• Obtained an understanding of the Parent's IT related control environment, IT applications, databases and IT Infrastructure. Based on our understanding, we have evaluated and tested relevant IT general controls and IT application controls on the systems identified as relevant for our audit of the standalone financial statements.</li> <li>• On such in-scope IT systems, we have tested key IT general controls with respect to the following domains: <ul style="list-style-type: none"> <li>a. User access management, which includes user access provisioning, de-provisioning, access review, password policies, sensitive access rights and segregation of duties to ensure that privileged access to applications, operating system and databases in the production environment were granted only to authorized personnel;</li> <li>b. Program change management, which includes controls on moving program changes to production environment by authorised personnel as per defined policy and procedures along with adequate segregation of environment;</li> <li>c. Other areas that were assessed under the IT control environment included backup management, incident management, batch processing and interfaces.</li> </ul> </li> <li>• Reviewed the report of Information System Audit carried out in the current and previous years by a firm engaged by management pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting and discussed the deficiencies with the management along with corresponding mitigating actions undertaken.</li> <li>• Evaluated the design and tested the operating effectiveness of key automated controls within various business processes, including testing of relevant system logic and corresponding automated calculations and process for automated accounting entries, as applicable. Where deficiencies were identified, tested compensating controls and/or performed additional substantive audit procedures as required to mitigate any risk of material misstatement with respect to related financial statement line item.</li> </ul>



Key audit matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> <li>Obtained written representations from management on whether IT general controls and automated IT controls are designed and were operating effectively during the year.</li> </ul>

## B. Key audit matters of the Subsidiary

The following Key Audit Matters were included in the audit report dated 14 May 2024, containing an unmodified audit opinion on the financial statements of Hinduja Housing Finance Limited, a subsidiary of the Parent issued by an independent firm of Chartered Accountants reproduced by us are under:

Key audit matters	How the matter was addressed in our audit
<p><b>1. Impairment of loans to customers:</b> Under Ind AS 109, Financial Instruments, allowance for loan losses is determined using expected credit loss ("ECL") estimation model.</p> <p>As at 31 March 2024, the Company has total gross loan assets of INR 9,34,576 Lakhs against which an impairment loss of INR 11,919 Lakhs has been recorded. The calculation of impairment losses on loans is complex and is based on the application of significant management judgements, estimates and the use of different modelling techniques and assumptions, which have a material impact on reported profits. The Company has applied a three-stage approach based on changes in credit quality to measure expected credit loss on loans.</p> <p>The key areas where we identified greater levels of management judgement are:</p> <ol style="list-style-type: none"> <li>1. Staging of loans and determining the criteria for a significant increase in credit risk.</li> <li>2. Model estimations – the most significant judgement aspects are determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD")</li> <li>3. Determining macro-economic factors impacting credit quality of receivables</li> </ol> <p>ECL involves an estimation of probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecast of future economic conditions which could impact the credit quality of the Company's loans and advances. In view of such a high degree of Management's judgement involved in estimation of ECL, it is a key audit matter.</p>	<p><b>Our key audit procedures included:</b></p> <p>Review of the Company's accounting policies for impairment of loan assets in terms of accounting principles laid down in Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued from time to time.</p> <p>Understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation to evaluate the reasonableness of the Management estimates.</p> <p>Assessed and tested the design and operating effectiveness of key manual and automated controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording and monitoring of the impairment loss recognized. Also, evaluated the controls over the modelling process, validation of data and related approvals.</p> <p>Assessed the criteria for staging of loans based on their past due status. Also performed analytical reviews of disaggregated data.</p> <p>Test-checked the computation of ECL, including assumptions and underlying computation. Also verified the disclosures included in the financial statements.</p>



Key audit matters	How the matter was addressed in our audit
<p><b>2. IT systems and controls:</b></p> <p>The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated. Accordingly, we identified IT systems and controls over financial reporting as a key audit matter for the Company.</p>	<p><b>Our key audit procedures included:</b></p> <p>Obtained an understanding of the Company's IT related control environment, IT applications, databases, and IT Infrastructure. Based on our understanding, we have evaluated and tested Controls on the systems identified as relevant for our audit of the financial statements. On such in-scope IT systems, we have tested key IT general controls with respect to the following domains:</p> <p>User access management, which includes user access provisioning, de-provisioning, access review and access rights;</p> <p>Program change management, which includes controls on program changes by authorised personnel;</p> <p>Other areas included backup management, business continuity management and third-party management.</p> <p>We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are important to financial reporting and various configuration and other identified application controls.</p> <p>Tested the design and operating effectiveness of key automated controls including testing of relevant system logic, automated calculations, and accounting entries.</p> <p>We reviewed the report of the professional firm engaged by the management for review of information system and security assessment.</p>
<p><b>3. Financial assets measured at fair value through other comprehensive income (FVTOCI)</b></p> <p>As at 31 March 2024, the Company has loans amounting to Rs 2,56,918 lakhs (31 March 2023: ₹ Nil) that are carried and measured at fair value through other comprehensive income (FVOCI) in accordance with Ind AS 109.</p> <p>The classification of loans at FVTOCI is dependent on the business model of the Company whereby the management has</p>	<p><b>Our key audit procedures included:</b></p> <p>Obtained an understanding of the 'Business Model Assessment Policy approved by the Board of Directors of the Company</p> <p>Evaluated the criteria adopted by the management in identification of the loan portfolio and reviewed the inputs used by the management in fair valuation.</p> <p>Assessed the management's valuation expert's competence in performing the valuation of these loans.</p>
<p><b>Key audit matters</b></p> <p>determined that the aforesaid loans are to collect contractual cash flows and also to sell such financial assets.</p> <p>The fair value arrived by the management's valuation expert is derived using discounted</p>	<p><b>How the matter was addressed in our audit</b></p> <p>Reviewed the valuation report, valuation methodology and underlying assumptions used to estimate the fair value. Also, test checked the arithmetical accuracy of the workings.</p>



cashflow models wherein the key assumptions include expected future cash flows, prepayment rate and discount rate. Given the business model assessment, the fair valuation of the aforesaid loans and relative significance of these loans to the financial statements, we determined this to be a key audit matter.

Reviewed the appropriateness and adequacy of disclosures made in the financial statements as per the requirements of Ind AS.

Obtained written representations from the management in relation to reasonableness of the assumptions and judgements used in the valuation of these loans.

#### Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Parent's Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report and Corporate Governance Report, but does not include the consolidated financial statements and our auditor's report thereon. The report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating to Other Information'

#### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Parent's Board of Directors. The Parent's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate and joint venture in accordance with the Ind AS specified under section 133 of the Act, and other accounting principles generally accepted in India. The respective Board of Directors of the Companies included in the Group and its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate and joint venture 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Parent, as aforesaid.
8. In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the Group and of its associate and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate the Group, associate and joint venture, or to cease operations, or has no realistic alternative but to do so.



9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associate and joint venture.

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing 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 consolidated financial statements.
11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated 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 Parent 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 Board of Directors' 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 ability of the Group and its associate and joint venture 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 consolidated 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 Group and its associate and joint venture to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation and
  - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, and its associate and joint venture, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



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

12. We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matter

15. We did not audit the financial statements of two subsidiaries, whose financial statements reflects total assets of ₹ 985,196 lakhs as at 31 March 2024, total revenues of ₹113,794 lakhs and net cash inflows (net) amounting to ₹14,766 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ (402) lakhs for the year ended 31 March 2024, as considered in the consolidated financial statements, in respect of one associate and one joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and joint venture, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, associate and joint venture, are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

#### Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, associate and joint venture, we report that the Parent incorporated in India whose financial statements have been audited under the Act have paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that two subsidiaries, one associate and one joint venture incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies, associate and joint venture.



17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, according to the information and explanations given to us and based on the consideration of the CARO Reports issued by us and by the respective other auditors as mentioned in paragraph 15 above, of Companies included in the consolidated financial statements and covered under the Act, we report that there are no qualifications or adverse remarks reported in the respective CARO Reports of such Companies.
18. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associate and joint venture incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
  - On the basis of the written representations received from the directors of the Parent, and taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiaries, associate and joint venture covered under the Act, none of the directors of the Group, its associate and joint venture, are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.
  - With respect to the adequacy of the internal financial controls with reference to financial statements of the Parent, and its subsidiaries, associate and joint venture covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' wherein we have expressed an unmodified opinion, which is based on the auditor's report of Parent, and its subsidiaries, associate and joint venture covered under the Act; and
  - With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries, associate and joint venture incorporated in India whose financial statements have been audited under the Act:
    - The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint venture as detailed in Note 37 to the consolidated financial statements;
    - The Parent has made provision in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if applicable, on long-term contracts including derivative contracts. The subsidiary companies, associate and joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;



- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent, and its subsidiaries, associate and joint venture covered under the Act, during the year ended 31 March 2024;
- iv.
- a. The respective managements of the Parent and its subsidiaries, associate and joint venture incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint venture respectively that, to the best of their knowledge and belief, as disclosed in note 52 to the accompanying consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Parent or its subsidiaries, associate and joint venture to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent, or any such subsidiaries, associate and joint venture ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The respective managements of the Parent and its subsidiaries, associate and joint venture incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note 52 to the accompanying consolidated financial statements, no funds have been received by the Parent or its subsidiaries, associates and joint ventures from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Parent, or any such subsidiaries, associate and joint venture shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, associate and joint venture, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Parent, its subsidiaries, associate and joint venture have not declared or paid any dividend during the year and has not proposed final dividend for the year ended 31 March 2024.
- vi. As stated in Note 53 of the accompanying consolidated financial statements and based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, associate and joint venture of the Parent which are Companies incorporated in India and audited under the Act, except for the instance mentioned below, the Parent, its subsidiaries, associate and joint venture, in respect of financial year commencing on 01 April 2023, have used an accounting software for maintaining their respective books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries, associate and joint venture did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below:



Nature of exception noted	Details of Exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software.	The Joint venture has used an accounting software(s) for maintaining its books of account for the financial year ended 31 March 2024, which has a feature of recording audit trail (edit log) facility wherein the accounting software(s) did not have the audit trail feature enabled throughout the year

As Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable to the Parent, its subsidiaries, associate and joint venture which are companies incorporated in India with effect from 1 April 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31 March 2024.

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013


**Rakesh Rathi**

Partner

Membership No: 045228

UDIN: 24045228BKGPLZ4991

Place: Chennai

Date: 15 May 2024

**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm Registration No: 121750W/W100010


**P. Shankar Raman**

Partner

Membership No: 204764

UDIN: 24204764BKAHFC8581

Place: Chennai

Date: 15 May 2024



**Annexure A**

List of subsidiary companies, associate and joint venture of Hinduja Leyland Finance Limited ('Parent') included in the Consolidated Financial Statements:

S. No	Name of the Entity	Relationship
1	Hinduja Housing Finance Limited	Subsidiary Company
2	Gaadi Mandi Digital Platforms Limited	Subsidiary Company
3	HLF Services Limited	Associate Company
4	Gro Digital Platforms Limited	Joint Venture



**Annexure B to the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the consolidated financial statements for the year ended 31 March 2024**

**(Referred to in paragraph 18(f) under 'Report on Other Legal and Regulatory Requirement' section of our report of even date)**

**Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the consolidated financial statements of Hinduja Leyland Finance Limited ('the Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group'), its associate and joint venture, as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary Companies, its associate and joint venture, which are companies covered under the Act, as at that date.

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The respective Board of Directors of the Parent, its subsidiary Companies, its associate and joint venture, which are Companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements**

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Parent, its subsidiary Companies, its associate and joint venture, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. 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 were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



**Annexure B to the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the consolidated financial statements for the year ended 31 March 2024**

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Parent, its subsidiary Companies, its associate and joint venture as aforesaid.

**Meaning of Internal Financial Controls with Reference to Financial Statements**

6. A Company's internal financial controls 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 include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements**

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

**Opinion**

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary Companies, associate and joint venture, the Parent, its subsidiary Companies, its associate and joint venture, which are Companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as at and for the year ended 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note.



**Annexure B to the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the consolidated financial statements for the year ended 31 March 2024****Other Matter**

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to two subsidiary Companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹985,196 lakhs, total revenues of ₹113,794 lakhs and net cash inflows (net) amounting to ₹14,766 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of loss (including other comprehensive income) of ₹(402) lakhs for the year ended 31 March 2024, in respect of one associate and one joint venture, which are Companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary Companies, associate and joint venture have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Parent, its subsidiary Companies, its associate and joint venture, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary Companies, associate and joint venture is based solely on the reports of the auditors of such Companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013

**Rakesh Rath**

Partner

Membership No: 045228

UDIN: 24045228BKGPLZ4991

**Place:** Chennai**Date:** 15 May 2024**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm Registration No: 121750W/W100010

**P. Shankar Raman**

Partner

Membership No: 204764

UDIN: 24204764BKAHFC8581

**Place:** Chennai**Date:** 15 May 2024



**HINDUJA LEYLAND FINANCE LIMITED**  
Consolidated Balance Sheet as at 31 March 2024

		INR In Lakhs	
Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	5	2,90,953	1,04,553
Bank balance other than cash and cash equivalents	6	30,263	22,192
Loans	7	38,46,319	28,41,560
Investments			
(i) Investments accounted for using equity method	8(i)	2,288	1,188
(ii) Other investments	8(ii)	1,89,951	1,81,783
Other financial assets	9	63,655	61,310
		<b>44,23,429</b>	<b>32,12,586</b>
<b>Non-financial assets</b>			
Current tax assets (net)		10,366	6,795
Property, plant and equipment	10	33,156	10,334
Capital work-in-progress	10A	2,706	381
Other intangible assets	10B	95	125
Right of use assets	10C	6,502	4,988
Other non-financial assets	11	11,478	6,729
		<b>64,303</b>	<b>29,352</b>
<b>Total assets</b>		<b>44,87,732</b>	<b>32,41,938</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Derivative financial instruments	12	165	-
Trade payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		3,019	3,256
Debt securities	14	43,105	95,917
Borrowings (other than debt securities)	15	34,59,864	23,93,290
Subordinated liabilities	16	1,67,263	1,04,329
Other financial liabilities	17	83,521	62,500
		<b>37,56,937</b>	<b>26,59,292</b>
<b>Non-financial liabilities</b>			
Provisions	18	582	371
Deferred tax liabilities (net)	32	46,104	21,351
Other non-financial liabilities	19	3,043	1,073
		<b>49,729</b>	<b>22,795</b>
<b>EQUITY</b>			
Equity share capital	20	53,516	53,502
Other equity	21	6,27,550	5,06,349
		<b>6,81,066</b>	<b>5,59,851</b>
<b>Total liabilities and equity</b>		<b>44,87,732</b>	<b>32,41,938</b>

Summary of Material accounting policy information. 4

The notes referred to above form an integral part of these consolidated financial statements

As per our report of even date  
for Walker Chandio & Co LLP  
Chartered Accountants

Firm Registration No: 001076N/N500013

Rakesh Rath  
Partner  
Membership No: 045228



For and on behalf of the Board of Directors of  
Hinduja Leyland Finance Limited  
CIN : U65993MH2008PLC384221

Dheeraj G Hinduja  
Chairman  
DIN No : 00133410

Sachin Pillai  
Managing Director & CEO  
DIN No : 06400793

for Suresh Surana & Associates LLP  
Chartered Accountants  
Firm Registration No: 121750W/W100010

P Shankar Raman  
Partner  
Membership No: 204764  
Place : Chennai  
Date : 15 May 2024



Vilas Jain  
Chief Financial Officer

R Srividhya  
Company Secretary  
Membership No: A22261





**HINDUJA LEYLAND FINANCE LIMITED**  
Consolidated Statement of Profit and Loss for the year ended 31 March 2024

Particulars	Note No.	INR In Lakhs	
		Year ended 31 March 2024	Year ended 31 March 2023
<b>Revenue from operations</b>			
Interest income	22	4,01,058	3,11,300
Fees and commission income	23	8,441	6,374
Net gain on fair value changes		1,977	671
Net gain on derecognition of financial instruments	24	42,751	26,865
Rental income		3,033	-
<b>Total revenue from operations</b>		<b>4,57,260</b>	<b>3,45,210</b>
Other Income	25	8,730	4,945
<b>Total revenue</b>		<b>4,65,990</b>	<b>3,50,155</b>
<b>Expenses</b>			
Finance costs	26	2,56,161	1,72,112
Fees and commission expense	27	9,925	6,435
Net loss on fair value changes		66	-
Impairment on financial instruments	28	57,285	64,678
Employee benefits expense	29	34,062	22,093
Depreciation and amortization expense	30	4,609	1,919
Others expenses	31	19,331	17,267
<b>Total expenses</b>		<b>3,81,439</b>	<b>2,84,504</b>
<b>Profit before share of profit of equity accounted investee and income tax</b>		<b>84,551</b>	<b>65,651</b>
Share of loss of equity accounted investee (net of income tax)		(412)	(361)
<b>Profit before tax</b>		<b>84,139</b>	<b>65,290</b>
<b>Tax expense:</b>	32		
Current tax		15,025	15,152
Deferred tax		5,471	1,139
<b>Total taxes</b>		<b>20,496</b>	<b>16,291</b>
<b>Net profit for the year</b>		<b>63,643</b>	<b>48,999</b>
<b>Other comprehensive income</b>			
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit plans		(86)	146
(ii) Share of other comprehensive income of equity accounted investees		14	65
(iii) Income tax relating to items that will not be reclassified to profit or loss		18	(55)
(B) Items that will be reclassified to profit or loss			
(i) (a) Fair value gain/(loss) on financial assets carried at Fair Value Through Other Comprehensive Income (FVTOCI)		76,855	12,297
(b) Effective portion of loss on designated portion of hedging instruments in a cashflow hedge		(165)	-
(ii) Income tax relating to items that will be reclassified to profit or loss		(19,302)	(3,095)
<b>Total other comprehensive income</b>		<b>57,334</b>	<b>9,358</b>
<b>Total comprehensive income</b>		<b>1,20,977</b>	<b>58,357</b>
<b>Earnings per equity share (face value Rs.10 each)</b>	33		
- Basic (in Rs.)		11.89	9.80
- Diluted (in Rs.)		11.89	9.80


Summary of Material accounting policy information. 4  
The notes referred to above form an integral part of these consolidated financial statements.

As per our report of even date  
for Walker Chandio & Co LLP  
Chartered Accountants  
Firm Registration No: 001076N/N500013

  
Rakesh Rath  
Partner  
Membership No: 045228



For and on behalf of the Board of Directors of  
Hinduja Leyland Finance Limited  
CIN : U65993MH2008PLC384221

  
Dheeraj G Hinduja  
Chairman  
DIN No : 00133410

  
Sachin Pillai  
Managing Director & CEO  
DIN No : 06400793

for Suresh Surana & Associates LLP  
Chartered Accountants  
Firm Registration No: 121750W/W100010



P Shankar Raman  
Partner  
Membership No: 204764  
Place : Chennai  
Date : 15 May 2024



  
Vikas Jain  
Chief Financial Officer

  
R Srividhya  
Company Secretary  
Membership No: A22261





**HINDUJA LEYLAND FINANCE LIMITED**  
Consolidated statement of cash flow for the year ended 31 March 2024

INR In Lakhs

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>A. Cash flow from operating activities</b>		
Net profit before tax and after share of profit / (loss) of equity accounted investee companies	84,139	65,290
Adjustments:		
Depreciation and amortization expense	4,609	1,919
Profit on disposal of property, plant and equipment(PPE)	(43)	(14)
Net gain on fair value changes of investment	(1,911)	(671)
Finance costs	2,56,161	1,72,112
Interest income	(4,00,870)	(3,11,447)
Net gain on derecognition of financial instruments	(42,751)	(26,865)
Provision for expected credit loss and amounts written off	46,753	61,438
Impairment loss on other receivables	10,543	3,240
Share based payment expense	159	80
CSR Expenditure	333	-
Provision for employee benefits	250	76
<b>Operating cash flow before working capital changes</b>	<b>(42,628)</b>	<b>(34,842)</b>
Adjustments for (increase) / decrease in operating assets:		
Loans	(9,72,124)	(7,13,947)
Other financial assets	36,350	1,688
Other non- financial assets	(3,710)	(954)
Adjustments for increase / (decrease) in operating Liabilities:		
Trade payables	(237)	(152)
Other financial liabilities	14,881	104
Other non financial liabilities and provisions	654	(3,580)
<b>Net cash used in operations before adjustments for interest received and interest paid</b>	<b>(9,66,814)</b>	<b>(7,51,683)</b>
Cash outflow towards finance cost	(2,42,448)	(1,64,543)
Cash inflow from interest income	3,91,400	3,11,263
Taxes paid (net)	(18,595)	(12,428)
<b>Net cash used in operating activities (A)</b>	<b>(8,36,457)</b>	<b>(6,17,391)</b>
<b>B. Cash flow from investing activities</b>		
Investment in pass through securities, mutual fund and security receipts(net)	15,587	(48,783)
Investment in redeemable non-convertible debentures	(45,799)	(18,092)
Redemption of redeemable non-convertible debentures	23,036	3,390
Interest on fixed deposits	240	147
Bank deposits placed (having original maturity of more than three months (net)	(8,070)	(18,233)
Purchase of PPE, intangibles including capital work-in-progress and capital advances	(26,968)	(1,661)
Proceeds from disposal of PPE and intangibles	61	96
<b>Net cash used in investing activities (B)</b>	<b>(41,913)</b>	<b>(83,136)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares including securities premium	80	91,125
Proceeds from long term borrowings	18,82,088	12,90,689
Repayment of long term borrowings	(9,54,143)	(6,96,681)
Proceeds from working capital loan / cash credit and commercial paper (net)	1,38,842	40,380
Payment of lease liabilities	(2,097)	(1,503)
<b>Net cash generated from financing activities (C)</b>	<b>10,64,770</b>	<b>7,24,010</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>1,86,400</b>	<b>23,483</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,04,553</b>	<b>81,070</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2,90,953</b>	<b>1,04,553</b>





**HINDUJA LEYLAND FINANCE LIMITED**  
Consolidated statement of cash flow for the year ended 31 March 2024

INR In Lakhs

Particulars	Note	As at 31 March 2024	As at 31 March 2023
<b>Components of cash and cash equivalents</b>	<b>5</b>		
Cash and cheques on hand		15,386	6,998
Balances with banks - In Current Accounts		1,19,439	97,555
Balances with banks - FD original maturity less than 3 months		1,56,128	-
		<b>2,90,953</b>	<b>1,04,553</b>

**Change in liabilities arising from financing activities**

Particulars	01 April 2023	Cash Flow (+)	Indas Adjustments (-)	31 March 2024
Debt securities	95,917	(54,112)	(1,300)	43,105
Borrowings (other than debt securities)	23,93,290	10,61,488	(5,086)	34,59,864
Subordinated liabilities	1,04,329	59,412	(3,522)	1,67,263
Lease liabilities	5,242	(2,097)	(3,822)	6,967

Particulars	01 April 2022	Cash Flow (+)	Indas Adjustments (-)	31 March 2023
Debt securities	1,32,816	(36,983)	(83)	95,917
Borrowings (other than debt securities)	17,00,657	6,89,845	(2,788)	23,93,290
Subordinated liabilities	1,22,141	(18,474)	(662)	1,04,329
Lease liabilities	3,923	(1,503)	(2,822)	5,242

Refer Note no.41 for amount spent towards Corporate Social Responsibility expenditure


The notes referred to above form an integral part of these consolidated financial statements.

As per our report of even date  
for **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No: 001076N/N500013

  
**Rakesh Rath**  
Partner  
Membership No: 045228



For and on behalf of the Board of Directors of  
**Hinduja Leyland Finance Limited**  
CIN : U65993MH2008PLC384221

  
**Dheeraj G Hinduja**  
Chairman  
DIN No : 00133410

  
**Sachin Pillai**  
Managing Director & CEO  
DIN No : 06400793

for **Suresh Surana & Associates LLP**  
Chartered Accountants  
Firm Registration No: 121750W/W100010



**P Shankar Raman**  
Partner  
Membership No: 204764  
Place : Chennai  
Date : 15 May 2024



  
**Vikas Jain**  
Chief Financial Officer

  
**R Srividhya**  
Company Secretary  
Membership No: A22261





**HINDUJA LEYLAND FINANCE LIMITED**  
Consolidated Statement of Changes in Equity for the year ended 31 March 2024

**A Equity share capital**

Particulars	INR In Lakhs	
	Number of shares	Amount
Balance as at 1 April 2022	46,98,92,990	46,989
Change in equity share capital during the year		
Add: Issued during the year	6,51,27,000	6,513
<b>Balance as at 31 March 2023</b>	<b>53,50,19,990</b>	<b>53,502</b>
Change in equity share capital during the year		
Add: Issued during the year	1,42,500	14
<b>Balance as at 31 March 2024</b>	<b>53,51,62,490</b>	<b>53,516</b>

**B**

Other equity	Reserves and Surplus				Other items of other comprehensive income		Total
	Statutory reserves	Securities premium	Other reserves - Employee stock option outstanding account	Retained earnings	Fair value (loss)/gain on financial assets	Effective portion of cashflow hedge	
Balance as at 1 April 2022	44,270	96,706	378	1,66,455	55,491	-	3,63,300
Share based expenses	-	-	80	-	-	-	80
Premium on issue of share capital	-	84,612	-	-	-	-	84,612
Profit for the year	-	-	-	48,999	-	-	48,999
Transfer to / from reserve	9,800	-	-	(9,800)	-	-	-
Other comprehensive income (net of tax)	-	-	-	156	9,202	-	9,358
<b>Balance as at 31 March 2023</b>	<b>54,070</b>	<b>1,81,318</b>	<b>458</b>	<b>2,05,810</b>	<b>64,693</b>	<b>-</b>	<b>5,06,349</b>
Share based expenses	-	-	159	-	-	-	159
Premium on issue of share capital	-	66	-	-	-	-	66
Profit for the year	-	-	-	63,643	-	-	63,643
Transfer to / from reserve	12,729	-	-	(12,729)	-	-	-
Other comprehensive income/(loss) (net of tax)	-	-	-	(54)	57,511	(124)	57,334
<b>Balance as at 31 March 2024</b>	<b>66,799</b>	<b>1,81,384</b>	<b>617</b>	<b>2,56,670</b>	<b>1,22,204</b>	<b>(124)</b>	<b>6,27,550</b>

Summary of Material accounting policy information.

Note 4

The notes referred to above form an integral part of these consolidated financial statements.

As per our report of even date  
for Walker Chandio & Co LLP  
Chartered Accountants  
Firm Registration No: 001076N/N500013

For and on behalf of the Board of Directors of  
Hinduja Leyland Finance Limited  
CIN : U65993MH2008PLC384221



Rakesh Rathii  
Partner  
Membership No: 045228





Dheeraj G Hinduja  
Chairman  
DIN No : 00133410



Sachin Pillai  
Managing Director & CEO  
DIN No : 06400793

for Suresh Surana & Associates LLP  
Chartered Accountants  
Firm Registration No: 121750W/W100010



P Shankar Raman  
Partner  
Membership No: 204764





Vikas Jain  
Chief Financial Officer



R Srividhya  
Company Secretary  
Membership No: A22261

Place : Chennai  
Date : 15 May 2024



## Annexure VI

**Walker Chandiock & Co LLP**

11th Floor, Tower II,  
One International Center,  
S B Marg, Prabhadevi (W),  
Mumbai - 400 013  
Maharashtra, India

**Suresh Surana & Associates LLP**

"Apex Towers" 2nd & 4th Floor,  
No.54 (Old No. 42),  
Second Main Road, R.A. Puram,  
Chennai - 600 028.  
Tamil Nadu, India

**Independent Auditor's Report**

**To the Members of Hinduja Leyland Finance Limited**

**Report on the Audit of the Standalone Financial Statements****Opinion**

1. We have audited the accompanying standalone financial statements of Hinduja Leyland Finance Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

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

We have determined the matters described below to be the key audit matters to be communicated in our report.



Key audit matter	How our audit addressed the key audit matter
<p><b>1. Impairment of financial assets (loans) based on Expected Credit Losses (ECL)</b> (Refer note 3.6 for accounting policies and notes 7, and 44 for financial disclosures in the accompanying standalone financial statements)</p> <p>As at 31 March 2023, the Company reported total gross loans of ₹ 2,306,471 lakhs (31 March 2022: ₹ 1,883,703 lakhs) and expected credit loss provisions of ₹ 63,599 lakhs (31 March 2022: ₹ 77,388 lakhs).</p> <p>Ind AS 109, Financial Instruments ('Ind AS 109') requires the Company to provide for impairment of its financial assets using the expected credit loss ('ECL') approach involving an estimation of probability of loss on the financial assets, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's financial assets.</p> <p>Expected credit loss cannot be measured precisely but can only be estimated through use of statistics. The estimation of impairment loss allowance on financial instruments involves significant judgement and estimates and applying appropriate measurement principles, including additional considerations on account of Reserve Bank of India guidelines in relation to COVID-19 regulatory package and restructuring. The Company has involved an external expert to measure probability of default (PD), loss given default (LGD) in accordance with Ind AS 109.</p> <p>The Company measures 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. Significant management judgement and assumptions involved in measuring ECL is required with respect to:</p> <ul style="list-style-type: none"> <li>• segmentation of loan book in buckets based on common risk characteristics</li> <li>• staging of loans and in particular determining the criteria, which includes qualitative factors for identifying a significant increase in credit risk (i.e. Stage 2) and credit-impaired (i.e. Stage-3) including the days past due.</li> <li>• factoring in future macro-economic and industry specific estimates and forecasts</li> <li>• past experience and forecast data on customer behaviour on repayments</li> </ul>	<p>Our audit focused on assessing the appropriateness of management's judgment and estimates used in the expected credit losses through procedures which included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>- Examined the policy approved by the Board of Directors ('Board') with respect to process and procedures for assessing and measuring credit risk on the lending exposures of the Company and evaluated its appropriateness in accordance with the requirements of Ind AS 109.</li> <li>- Evaluated the design and tested the operating effectiveness of controls across the process relevant to ECL measurement, including around the judgements and estimates made by the management. These controls, amongst others, included controls over the allocation of assets into stages along with management's monitoring of and completeness of the underlying data used in the models, credit monitoring, passing of journal entries and preparing disclosures.</li> <li>- With respect to management expert involved for Company's modelling approach, we obtained the deliverables of the expert submitted to the management and assessed the professional competence and objectivity of such management expert.</li> <li>- Tested the completeness of loans included in the ECL calculations as of 31 March 2023 by reconciling such data with the balances as per loan book register.</li> <li>- Tested, on a sample basis, the appropriateness of determining exposure at default, the data used in the PD and LGD model for ECL calculation by reconciling it to the source information systems of the Company. Further, tested classification of assets into stage 1, 2 and 3 categories, on a sample basis, to verify that these were allocated to the appropriate stage.</li> <li>- Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions. Challenged the management on post model adjustments, considering the size and complexity of management overlays, in order to assess the reasonableness of the adjustments.</li> </ul>



Key audit matter	How our audit addressed the key audit matter
<ul style="list-style-type: none"> <li>varied statistical modelling techniques to determine probability of default, loss given default and exposure at default basis the default history of loans, subsequent recoveries made and other relevant factors using probability-weighted scenarios</li> <li>effect of discounting the cash flows by estimating the timing of expected credit shortfalls associated with the defaults</li> </ul> <p>Impairment losses in addition to the model-driven ECL results are recorded as overlays by management, to address known impairment model limitations or emerging trends as well as risks not captured by models.</p> <p>As at 31 March 2023, overlays represent approximately 19% of the ECL balances. These adjustments required significant management judgement.</p> <p>Determining ECL on the financial assets also requires compliance with key disclosure requirements as prescribed under the standards and by the Reserve Bank of India, to explain the key judgements and assumptions made by the management in the measurement.</p> <p>Considering the significance of the above matter to the standalone financial statements and since the matter required our significant attention to test the calculation of expected credit losses, we have identified this as a key audit matter for current year audit.</p>	<p>- Performed an overall assessment of the ECL provision levels at each stage, including management's assessment and provision on account of the Company's portfolio as well as the macroeconomic environment.</p> <p>- On a test check basis, ensured compliance with RBI Master Circular on 'Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to advances' ('IRACP') read with RBI circular on 'Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications' dated 12 November 2021 along with RBI notification RBI/2021-2022/158 dated 15 February 2022, in relation to identification, upgradation and provisioning of non-performing assets (NPAs) and ensured that the Company has considered NPAs as credit impaired loans.</p> <p>- Obtained written representations from the management in relation to appropriateness of such ECL methodology and reasonableness of the judgements and assumptions used.</p> <p>- Assessed the appropriateness and adequacy of the related presentation and disclosures in the accompanying standalone financial statements in accordance with the applicable accounting standards and related RBI circulars and Resolution Framework.</p>

Key audit matter	How our audit addressed the key audit matter
<p><b>2. Financial assets measured at fair value through other comprehensive income (FVTOCI)</b> (Refer note 2.5(iii) for significant accounting policies and 7 of standalone Financial Statements)</p> <p>As at 31 March 2023, the Company has loans amounting to ₹ 1,491,487 lakhs (31 March 2022: ₹ 1,022,791 lakhs) that are carried and measured at fair value through other comprehensive income (FVOCI) in accordance with Ind AS 109.</p> <p>The classification of such loans at FVTOCI is dependent on the business model adopted by the Company to manage such financial assets in order to generate cash flows.</p>	<p>Our audit procedures in relation to financial assets measured at FVTOCI included, but were not limited, to the following:</p> <p>- Obtained an understanding of the 'Business Model Policy Note' approved by the Board of Directors of the Company, and evaluated whether the identified loan portfolio would satisfy the conditions of Ind AS 109 for measurement at FVTOCI.</p> <p>- Assessed the design and tested the operating effectiveness of managements' key internal controls over inputs used in the valuation model.</p> <p>- Obtained the valuation report of the management's valuation expert involved and assessed the expert's competence and objectivity in performing the valuation of these loans.</p>



Key audit matter	How our audit addressed the key audit matter
<p>The management has determined that their business model of aforesaid loans is to collect contractual cash flows (solely payments of principal and interest on the amount outstanding) and also to sell such financial assets, and hence, such loans are classified at FVTOCI in accordance with the principles of Ind AS 109.</p> <p>In measuring these loans, valuation methods are used based on inputs that are not directly observable from market information and certain other unobservable inputs. The management has used the services of an independent professional valuer for arriving at the fair value of aforesaid loan assets. Such fair value is derived using discounted cash flow models wherein the key assumptions include discount rate and adjustment for credit risk including default risk.</p> <p>Given the subjectivity involved in ascertaining the business model and the fair valuation of the aforesaid loans, relative significance of these loans to the standalone financial statements and the nature and extent of audit procedures involved, we determined this to be a key audit matter.</p>	<p>- With the support of our internal specialists, assessed whether the valuation methodology adopted by the management's expert is appropriate and tested the reasonableness of the underlying assumptions used such as discount rates to estimate the fair value of the said loans by performing independent sensitivity analysis. Also, tested the completeness of source data and arithmetical accuracy of the management working.</p> <p>- Assessed the appropriateness and adequacy of disclosures made in the standalone financial statements with respect to Company's exposure to financial instrument valuation risk as per the requirements of the Indian Accounting standards.</p> <p>- Obtained written representations from the management in relation to reasonableness of the assumptions and judgements used in the valuation of these loans</p>

Key audit matter	How our audit addressed the key audit matter
<p><b>3. Information Technology ("IT") Systems and Controls for the financial reporting process</b></p> <p>The Company is highly dependent on its information technology (IT) systems for carrying on its operations which require large volume of transactions to be processed in numerous locations on a daily basis. The financial accounting system of the Company is integrated with several other modules including Loan Management and Originating modules and other workflows.</p> <p>As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the Company. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting.</p>	<p>In our audit, our focus was on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems. We performed a range of audit procedures with the involvement of our IT specialists, which included but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the Company's IT related control environment, IT applications, databases and IT Infrastructure. Based on our understanding, we have evaluated and tested relevant IT general controls and IT application controls on the systems identified as relevant for our audit of the standalone financial statements.</li> </ul>



Key audit matter	How our audit addressed the key audit matter
<p>The accuracy and reliability of the financial reporting process depends on the IT systems and the related control environment, including:</p> <ul style="list-style-type: none"> <li>• IT general controls over user access management and change management across applications, networks, database, and operating systems;</li> <li>• IT application controls.</li> </ul> <p>Due to the pervasive nature and importance of the role of IT systems and related control environment on the Company's financial reporting process, we have identified testing of such IT systems and related control environment as a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> <li>• On such in-scope IT systems, we have tested key IT general controls with respect to the following domains: <ul style="list-style-type: none"> <li>a. User access management, which includes user access provisioning, de-provisioning, access review, password policies, sensitive access rights and segregation of duties to ensure that privileged access to applications, operating system and databases in the production environment were granted only to authorized personnel;</li> <li>b. Program change management, which includes controls on moving program changes to production environment by authorised personnel as per defined policy and procedures along with adequate segregation of environment;</li> <li>c. Other areas that were assessed under the IT control environment included backup management, incident management, batch processing and interfaces.</li> </ul> </li> <li>• Reviewed the report of Information System Audit carried out in the current and previous years by a firm engaged by management, pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting and discussed the deficiencies with the management along with corresponding mitigating actions undertaken.</li> <li>• Evaluated the design and tested the operating effectiveness of key automated controls within various business processes, including testing of relevant system logic and corresponding automated calculations and process for automated accounting entries, as applicable. Where deficiencies were identified, tested compensating controls and/or performed additional substantive audit procedures as required to mitigate any risk of material misstatement with respect to related financial statement line item.</li> <li>• Obtained written representations from management on whether IT general controls and automated IT controls are designed and were operating effectively during the year.</li> </ul>



**Information other than the Standalone Financial Statements and Auditor's Report thereon**

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report and Corporate Governance Report, but does not include the standalone financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating to Other Information'.

**Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

6. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the standalone financial statements, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

9. Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.



10. As part of an audit in accordance with SAs, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 standalone 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 Board of Directors' 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 standalone 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;
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decision of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of our any identified misstatement in the standalone financial statements.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

11. 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.

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



**Other Matter**

13. The standalone financial statements of the Company for the year ended 31 March 2022 were audited by the predecessor auditor, Deloitte Haskins & Sells, Chennai and Suresh and Surana Associates LLP, who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 17 May 2022. Accordingly, Walker Chandio & Co LLP do not express any opinion on the figures reported in the standalone financial statements for the year ended 31 March 2022

**Report on Other Legal and Regulatory Requirements**

14. As required by section 197(16) of the Act based on our audit, we report that the Company has paid managerial remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
15. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
16. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
  - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - The standalone financial statements dealt with by this report are in agreement with the relevant books of account;
  - In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
  - On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
  - With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and
  - With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - The Company, as detailed in note 37 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;
    - The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if applicable, on long-term contracts including derivative contracts.
    - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;



iv.

- a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 55 to the standalone financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 55 to the standalone financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on the audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013



**Rakesh Rathi**

Partner

Membership No: 045228

UDIN: 23045228BGYRXA4121

**Place:** Chennai

**Date:** 18 May 2023



**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm Registration No: 121750W/W100010



**P. Shankar Raman**

Partner

Membership No: 204764

UDIN: 23204764BGYMEE6534

**Place:** Chennai

**Date:** 18 May 2023



**Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the standalone financial statements for the year ended 31 March 2023**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.  
  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 10 to the standalone financial statements are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment including Right of Use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has been sanctioned a working capital limit in excess of Rs 5 crore by banks based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns / statements are in agreement with the unaudited books of account of the Company for the respective periods.
- (iii) (a) The Company is a Non-Banking Finance Company and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) The Company has not provided for any guarantee or given any security or granted any advances in the nature of loans during the year. However, the Company has granted loans and made certain investments and, in our opinion, and according to the information and explanations given to us, the terms and conditions under which such loans and investments made are prima facie, not prejudicial to the Company's interest.
- (c) The Company is a Non-Deposit taking Non-Banking Finance Company (ND-NBFC) as defined under Section 45 – IA of the Reserve Bank of India Act, 1934 and is regulated by various regulations, circulars and norms on Income Recognition, Asset Classification and Provisioning pertaining to loans and advances. In respect of loans and advances in the nature of loans granted by the Company, we report that these schedule of repayment of principal and payment of interest has been stipulated and the repayments/ receipts of principal and interest are regular except for instances as below:



**Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the standalone financial statements for the year ended 31 March 2023**

Particulars – Days Past Due	Total exposure at default for overdue loans (₹ in lakhs)	No. of Cases
1 to 30 days	3,22,966	1,61,930
31 to 60 days	1,23,848	46,913
61 to 90 days	1,13,920	47,237
More than 90 days	1,12,996	39,173

Having regard to the nature of business of the Company and volume of the transactions, it is impractical to furnish the item-wise listing for the above-mentioned cases of delay in repayment of principal and interest.

- (d) According to the information and explanations given to us, the total amount which is overdue for 90 days or more in respect of loans and advances in the nature of loans given in the course of the business operations of the Company aggregates to ₹ 1,12,996 lakhs as at 31 March 2023 in respect of 39,173 number of loans, as also disclosed in note 44 to the accompanying financial statements. Further, reasonable steps as per the policies and procedures of the Company have been taken for recovery of such principal and interest amounts overdue.
- (e) The Company is a Non-Banking Finance Company and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment. Accordingly, reporting under clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of guarantees and security.
- (v) The provisions of the sections 73 to 76 and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), are not applicable to the Company being a non-banking financial company registered with the Reserve Bank of India ('the RBI'), and also the Company has not accepted any deposits from public or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.



**Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the standalone financial statements for the year ended 31 March 2023**

- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount ₹ in lakhs	Amount paid under Protest ₹ in lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax	Tax, Interest, penalty	819.43	133.08	2017-18	CIT Appeals
Odisha VAT Act, 2004	Value Added Tax	0.39	-	2012-13	High Court of Judicature at Orissa
Pradesh Value Added Tax Act, 2005	Value Added Tax	17.55	5.85	2011-12	High Court of Judicature at Hyderabad
Karnataka VAT Act, 2003	Value Added Tax	121.16	36.35	2012-13 to 2016-17	High Court of Judicature at Bangalore, Karnataka

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks and other lenders and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained, though idle/surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associate or joint venture.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.



**Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the standalone financial statements for the year ended 31 March 2023**

- (b) During the year, the Company has made private placement of shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the Rules framed thereunder with respect to the same. Further, the amounts so raised were used for the purposes for which the funds were raised, though idle/surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit .
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company.
- (b) According to the information and explanations given to us, the Company has conducted Non-Banking Financial activities during the year under a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934. Further, the Company has not conducted any Housing Finance activities and hence is not required to obtain CoR for such activities from the RBI.
- (c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations prescribed by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.



**Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the standalone financial statements for the year ended 31 March 2023**

- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, Asset Liability Maturity (ALM) pattern, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx)(a) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has transferred the remaining unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No: 001076W/W100013



**Rakesh Rathi**

Partner

Membership No: 045228

UDIN: 23045228BGYRXA4121

**Place:** Chennai

**Date:** 18 May 2023



**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm Registration No: 121750W/W100010



**P. Shankar Raman**

Partner

Membership No: 204764

UDIN: 23204764BGYMEE6534

**Place:** Chennai

**Date:** 18 May 2023



**Annexure B to the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the standalone financial statements for the year ended 31 March 2023**

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

**Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. We have audited the internal financial controls with reference to standalone financial statements of Hinduja Leyland Finance Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with 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 standalone financial statements, and the Guidance Note issued by the ICAI. 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 standalone financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes 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 judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.



**Annexure B to the Independent Auditor's Report of even date to the members of Hinduja Leyland Finance Limited on the standalone financial statements for the year ended 31 March 2023**

**Meaning of Internal Financial Controls with Reference to Standalone Financial Statements**

6. A company's internal financial controls 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 include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements**

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

**Opinion**

8. In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2023, based on the criteria for internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013

**Rakesh Rath**

Partner

Membership No: 045228

UDIN: 23045228BGYRXA4121

**Place:** Chennai

**Date:** 18 May 2023



**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm Registration No: 121750W/W100010

**P. Shankar Raman**

Partner

Membership No: 204764

UDIN: 23204764BGYMEE6534

**Place:** Chennai

**Date:** 18 May 2023





**HINDUJA LEYLAND FINANCE LIMITED**  
Standalone Balance Sheet as at 31 March 2023

Particulars	Note No.	INR In Lakh	
		As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	5	95,627	79,779
Bank balance other than cash and cash equivalents	6	22,004	3,872
Loans	7	22,42,872	18,06,315
Investments	8	2,27,025	1,45,263
Other financial assets	9	50,553	34,417
		<b>26,38,081</b>	<b>20,69,646</b>
<b>Non-financial assets</b>			
Current tax assets (net)		6,522	9,182
Property, plant and equipment	10	9,714	8,107
Capital work-in-progress	10A	381	44
Other intangible assets	10B	53	68
Right of use assets	10C	4,911	3,594
Other non-financial assets	11	6,372	5,486
		<b>27,953</b>	<b>26,481</b>
<b>Total Assets</b>		<b>26,66,034</b>	<b>20,96,127</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Payables			
Trade payables	12	-	-
(i) total outstanding dues of micro enterprises and small enterprises		3,076	3,128
(ii) total outstanding dues of creditors other than micro enterprises and small		95,917	1,32,816
Debt securities	13	18,69,715	13,75,767
Borrowings (other than debt securities)	14	162	162
Deposits	15	1,04,329	1,22,141
Subordinated liabilities	16	58,200	58,087
Other financial liabilities	17	<b>21,31,399</b>	<b>16,92,101</b>
<b>Non-financial liabilities</b>			
Provisions	18	181	264
Deferred tax liabilities (net)	32	20,575	17,588
Other non-financial liabilities	19	564	1,010
		<b>21,320</b>	<b>18,862</b>
<b>EQUITY</b>			
Equity share capital	20	53,502	46,989
Other equity	21	4,59,813	3,38,175
		<b>5,13,315</b>	<b>3,85,164</b>
<b>Total liabilities and equity</b>		<b>26,66,034</b>	<b>20,96,127</b>

Summary of significant accounting policies. 3

The notes referred to above form an integral part of these standalone financial statements

As per our report of even date  
for Walker Chandiook & Co LLP  
Chartered Accountants

  
**Rakesh Rathi**  
Partner




for Suresh Surana & Associates LLP  
Chartered Accountants

  
**P Shankar Raman**  
Partner



For and on behalf of the Board of Directors of  
**Hinduja Leyland Finance Limited**  
CIN : U65993MH2008PLC384221

  
**Dheeraj G Hinduja**  
Chairman  
DIN No : 00133410

  
**Sachin Pillai**  
Managing Director & CEO  
DIN No : 06400793

  
**Vikas Jain**  
Chief Financial Officer

  
**B Shanmugasundaram**  
Company Secretary



Place : Chennai  
Date : 18 May 2023



**HINDUJA LEYLAND FINANCE LIMITED**  
Standalone Statement of Profit and Loss for the year ended 31 March 2023

			INR In Lakh
Particulars	Note No.	Year ended 31 March 2023	Year ended 31 March 2022
<b>Revenue from operations</b>			
Interest income	22	2,49,212	2,39,527
Fees and commission income	23	5,499	5,305
Net gain on fair value changes		671	-
Net gain on derecognition of financial instruments	24	19,645	20,437
<b>Total revenue from operations</b>		<b>2,75,027</b>	<b>2,65,269</b>
Other income	25	498	1,582
<b>Total income</b>		<b>2,75,525</b>	<b>2,66,851</b>
<b>Expenses</b>			
Finance costs	26	1,39,924	1,33,699
Fees and commission expense	27	6,435	5,961
Net loss on fair value changes		-	805
Impairment on financial assets	28	60,595	70,425
Employee benefits expense	29	15,523	14,353
Depreciation and amortization expense	30	1,717	1,588
Others expenses	31	14,145	8,736
<b>Total expenses</b>		<b>2,38,339</b>	<b>2,35,567</b>
<b>Profit before tax</b>		<b>37,186</b>	<b>31,284</b>
<b>Tax expense:</b>			
Current tax		9,634	5,197
Deferred tax	32	(129)	2,872
<b>Total Taxes</b>		<b>9,505</b>	<b>8,069</b>
<b>Net profit for the year</b>		<b>27,681</b>	<b>23,215</b>
<b>Other comprehensive income</b>			
(A) (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		84	70
(ii) Income tax relating to items that will not be reclassified to profit or loss		(21)	(18)
(B) (i) Items that will be reclassified to profit or loss			
(i) Fair value gain/(loss) on financial assets carried at Fair Value Through Other Comprehensive Income (FVTOCI)		12,297	(27,837)
(ii) Income tax relating to items that will be reclassified to profit or loss		(3,095)	7,006
<b>Total other comprehensive income</b>		<b>9,265</b>	<b>(20,779)</b>
<b>Total comprehensive income</b>		<b>36,946</b>	<b>2,436</b>
<b>Earnings per equity share (face value Rs.10 each)</b>	33		
- Basic (in Rs.)		5.53	4.94
- Diluted (in Rs.)		5.53	4.94

Summary of significant accounting policies. 3

The notes referred to above form an integral part of these standalone financial statements.

As per our report of even date  
for **Walker Chandio & Co LLP**  
Chartered Accountants

  
**Rakesh Rathi**  
Partner



for **Suresh Surana & Associates LLP**  
Chartered Accountants

  
**P Shankar Raman**  
Partner



Place : Chennai  
Date : 18 May 2023

For and on behalf of the Board of Directors of  
**Hinduja Leyland Finance Limited**  
CIN : U65993MH2008PLC384221

  
**Dheeraj G Hinduja**  
Chairman  
DIN No : 00133410

  
**Sachin Pillai**  
Managing Director & CEO  
DIN No : 06400793

  
**Vikas Jain**  
Chief Financial Officer

  
**B Shanmugasundaram**  
Company Secretary





**HINDUJA LEYLAND FINANCE LIMITED**  
Standalone Statement of cash flow for the year ended 31 March 2023

	INR In Lakh	
	Year ended 31 March 2023	Year ended 31 March 2022
<b>A. Cash flow from operating activities</b>		
Net profit before tax	37,186	31,284
Adjustments for:		
Depreciation and amortization expense	1,717	1,588
Profit on disposal of property, plant and equipment(PPE)	(14)	(74)
Net (gain)/loss on fair value changes/disposal of investment	(671)	805
Finance costs	1,39,924	1,33,699
Interest income	(2,49,473)	(2,41,109)
Net gain on derecognition of financial instruments	(19,645)	(20,437)
Provision for expected credit loss and amounts written off	57,355	66,735
Impairment loss on other receivables	3,240	3,690
Share based payment expense	80	159
<b>Operating cash flow before working capital changes</b>	<b>(30,301)</b>	<b>(23,660)</b>
Adjustments for (increase) / decrease in operating assets:		
Loans	(4,81,616)	52,272
Other non- financial assets	(886)	250
Other financial assets	236	(27,000)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(52)	1,406
Other financial liabilities	(3,648)	(5,259)
Other non financial liabilities and provisions	(445)	401
<b>Net cash used in operations before adjustments for interest received and interest paid</b>	<b>(5,16,712)</b>	<b>(1,590)</b>
Cash outflow towards finance cost	(1,35,137)	(1,32,001)
Cash inflow from interest income	2,49,245	2,39,697
Taxes paid (net)	1,14,108	1,07,696
<b>Net cash (used in)/generated from operating activities (A)</b>	<b>(4,09,485)</b>	<b>98,247</b>
<b>B. Cash flow from investing activities</b>		
Investment in pass through securities, mutual fund and security receipts (net)	(50,214)	3,340
Investment in redeemable non-convertible debentures (net)	(14,953)	(2,288)
Investment in equity shares of subsidiary companies	(16,022)	(7,754)
Proceeds from dissolution of a subsidiary	99	-
Bank deposits- (placed)/matured (having original maturity of more than three months)	(18,111)	1,713
Purchase of PPE and intangible including capital work-in-progress	(1,037)	(205)
Proceeds from disposal of PPE and intangibles	97	93
Interest on fixed deposits	147	224
<b>Net cash used in investing activities (B)</b>	<b>(99,994)</b>	<b>(4,877)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares including securities premium	91,125	48
Proceeds from long term borrowings	10,52,047	5,91,809
Repayment of long term borrowings	(6,35,056)	(6,76,226)
Proceeds from / (repayment of) working capital loan / cash credit and commercial paper (net)	18,714	(8,645)
Payments of lease liabilities	(1,503)	(1,416)
<b>Net cash generated from/(used in) financing activities (C)</b>	<b>5,25,327</b>	<b>(94,430)</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	15,848	(1,060)
<b>Cash and cash equivalents at the beginning of the year</b>	<b>79,779</b>	<b>80,839</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>95,627</b>	<b>79,779</b>





**HINDUJA LEYLAND FINANCE LIMITED**  
Standalone Statement of cash flow for the year ended 31 March 2023

		INR In Lakh
	Note	As at 31 March 2023
		As at 31 March 2022
<b>Components of cash and cash equivalents</b>	<b>5</b>	
Cash and cheques on hand		6,770
Balances with banks		20,827
		88,857
		58,952
		<b>95,627</b>
		<b>79,779</b>

**Change in liabilities arising from financing activities**

Particulars	01 April 2022	Cash Flow (+)	IndAS Adjustments (-)	31 March 2023
Debt securities	1,32,816	(36,982)	(83)	95,917
Borrowings (other than debt securities)	13,75,767	4,91,401	(2,547)	18,69,715
Subordinated liabilities	1,22,141	(18,714)	(902)	1,04,329
Lease liabilities	3,923	(1,503)	(2,773)	5,193

Particulars	01 April 2021	Cash Flow (+)	IndAS Adjustments (-)	31 March 2022
Debt securities	1,25,432	7,200	(184)	1,32,816
Borrowings (other than debt securities)	14,65,148	(91,617)	(2,236)	13,75,767
Subordinated liabilities	1,27,814	(8,645)	(2,972)	1,22,141
Lease liabilities	2,764	(1,416)	(2,575)	3,923

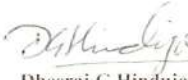
The notes referred to above form an integral part of these standalone financial statements.

As per our report of even date  
for **Walker Chandio & Co LLP**  
Chartered Accountants

For and on behalf of the Board of Directors of  
**Hinduja Leyland Finance Limited**  
CIN : U65993MH2008PLC384221

  
**Rakesh Rathi**  
Partner



  
**Dheeraj G Hinduja**  
Chairman  
DIN No : 00133410

  
**Sachin Pillai**  
Managing Director & CEO  
DIN No : 06400793

for **Suresh Surana & Associates LLP**  
Chartered Accountants

  
**P Shankar Raman**  
Partner



  
**Vikas Jain**  
Chief Financial Officer

  
**B Shanmugasundaram**  
Company Secretary



Place : Chennai  
Date : 18 May 2023



**HINDUJA LEYLAND FINANCE LIMITED**  
Standalone Statement of changes in equity for the year ended 31 March 2023

**A Equity share capital**

Particulars	INR In Lakh	
	Number of shares	Amount
Balance as at 1 April 2021	46,97,82,490	46,978
Change in equity share capital during the year		
Add: Issued during the year	1,10,500	11
<b>Balance as at 31 March 2022</b>	<b>46,98,92,990</b>	<b>46,989</b>
Change in equity share capital during the year		
Add: Issued during the year	6,51,27,000	6,513
<b>Balance as at 31 March 2023</b>	<b>53,50,19,990</b>	<b>53,502</b>

**B Other equity**

	Reserves and Surplus				Other items of other comprehensive income		Total
	Statutory reserve u/s 45-IC of The Reserve Bank of India Act, 1934	Securities premium	Other reserves - Employee stock option outstanding account	Retained earnings	Remeasurement of defined benefit plans	Fair value (loss)/gain on financial assets	
Balance as at 1 April 2021	34,658	96,656	232	1,27,788	(45)	76,254	3,35,543
Share based expenses	-	-	159	-	-	-	159
Premium on issue of share capital	-	37	-	-	-	-	37
Profit for the year	-	-	-	23,215	-	-	23,215
Transfer to / from reserve	4,643	13	(13)	(4,643)	-	-	-
Other comprehensive income (net of tax)	-	-	-	-	52	(20,831)	(20,779)
<b>Balance as at 31 March 2022</b>	<b>39,301</b>	<b>96,706</b>	<b>378</b>	<b>1,46,360</b>	<b>7</b>	<b>55,423</b>	<b>3,38,175</b>
Share based expenses	-	-	80	-	-	-	80
Premium on issue of share capital	-	84,612	-	-	-	-	84,612
Profit for the year	-	-	-	27,681	-	-	27,681
Transfer to / from reserve	5,536	-	-	(5,536)	-	-	-
Other comprehensive income (net of tax)	-	-	-	-	63	9,202	9,265
<b>Balance as at 31 March 2023</b>	<b>44,837</b>	<b>1,81,318</b>	<b>458</b>	<b>1,68,505</b>	<b>70</b>	<b>64,625</b>	<b>4,59,813</b>

Summary of significant accounting policies.

Note 3


The notes referred to above form an integral part of these standalone financial statements.

As per our report of even date  
for Walker Chandiook & Co LLP  
Chartered Accountants

  
Rakesh Rathi  
Partner



For and on behalf of the Board of Directors of  
**Hinduja Leyland Finance Limited**  
CIN : U65993MH2008PLC384221

  
Dheeraj G Hinduja  
Chairman  
DIN No : 00133410

  
Sachin Pillai  
Managing Director & CEO  
DIN No : 06400793

for Suresh Surana & Associates LLP  
Chartered Accountants

  
P Shankar Raman  
Partner



  
Vikas Jain  
Chief Financial Officer

  
B Shanmugasundaram  
Company Secretary



Place : Chennai  
Date : 18 May 2023

**Deloitte Haskins & Sells**

ASV N Ramana Tower  
52, Venkatnarayana Road  
T. Nagar, Chennai-600 017  
Tamil Nadu, India

**Suresh Surana & Associates LLP**

"Apex Towers", 2<sup>nd</sup> Floor No. 54  
2<sup>nd</sup> Main Road, R A Puram,  
Chennai - 600028  
Tamil Nadu, India

**INDEPENDENT AUDITORS' REPORT****To The Members of Hinduja Leyland Finance Limited****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of **Hinduja Leyland Finance Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

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



Description of Key Audit Matters Key Audit Matters	Auditor's Response
<p><b>1. Impairment of Financial Assets</b></p> <p>Management estimates impairment provision using Expected Credit loss (ECL) model for the loan exposure as per the Board approved policy which is in line with Ind AS and the applicable Regulations. Measurement of impairment of loans involve application of significant management judgement. The most significant judgements are:</p> <ul style="list-style-type: none"> <li>• Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars.</li> <li>• Determination of Exposure at default (EAD), probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors.</li> <li>• Assessment of qualitative factors having an impact on the credit risk.</li> <li>• The Company's impairment allowance is derived from estimates including the historical default and loss ratios. Collective impairment allowances are calculated using ECL model which approximate credit conditions on homogenous portfolios of loans.</li> </ul> <p>The disclosures made in the standalone financial statements for ECL especially in relation to judgements and estimates by the Management in determination of the ECL involve increased level of audit focus.</p> <p>Refer Note 3.6 and 44 to the standalone financial statements.</p> <p>The aforesaid involves significant management estimates/ judgements and hence identified as Key Audit Matter.</p>	<p><b>Principal audit procedures performed:</b> These procedures included, but not limited, to the following:</p> <ul style="list-style-type: none"> <li>• We examined Board Policy approving methodologies for computation of ECL that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures, commensurate with the size, complexity and risk profile specific to the borrowers.</li> <li>• We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates, management's monitoring of model validation and production of journal entries and disclosures.</li> <li>• We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2022 by reconciling it with the balances as per loan balance register and loan commitment report as on that date.</li> <li>• We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage.</li> <li>• Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records.</li> <li>• For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD.</li> <li>• For exposure determined to be individually impaired, we tested samples of loans and advances and examined management's estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations.</li> <li>• We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment.</li> <li>• We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.</li> </ul>



**2. Valuation of Financial Instruments**

Financial Instruments carried at Fair value and measured at fair value through other comprehensive income, account for a significant part of the Company's assets.

The valuation of the Company's financial instruments is based on a combination of market data and valuation models which often require significant management judgement. The most significant judgements are:

- Assessing the fair value of financial instruments based on the significant degree of judgement exercised by management in determining the inputs used in the valuation.

Our audit procedures in relation to fair valuation of financial instruments were focused on obtaining sufficient appropriate audit evidence as to whether the fair valuation of financial instruments recognised in the financial statements were reasonable and the related disclosures in the standalone financial statements made by the management were adequate.

These procedures included, but not limited, to the following:

- Obtain an understanding of the fair valuation methodology and
- Testing the design and operating effectiveness of controls over
  - (1) the management's methodology for determining Fair Value, including consideration of the current and estimated future economic conditions
  - (2) the completeness and accuracy of information used in determining Fair Value.



**Information Other than the standalone financial statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the standalone financial statements and our auditors' report thereon. The reports are expected to be made available to us after the date of this auditors' report.

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

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

When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating to Other Information'.

**Management's Responsibility for the standalone financial statements**

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

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

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

**Auditors' Responsibility for the Audit of the Standalone financial statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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



**Other Matter**

The financial statements as at and for the year ended March 31, 2021, have been audited by Deloitte Haskins & Sells, Chennai, Chartered Accountants, one of the joint statutory auditors of the Company, whose report dated June 03, 2021 expressed an unmodified opinion on those financial statements. Accordingly, we, Suresh Surana & Associates LLP, Chartered Accountants, do not express any opinion on the figures reported in the financial statements for the year ended March 31, 2021.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration has been paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer Note 37 to standalone financial statements)
    - ii. The Company did not have any long-term contracts including derivative contracts, as at the year-end 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.
- iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer note 55 to the financial statements.
- (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer note 55 to the financial statements.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
2. As required by the Companies (Auditors' Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm Registration No. 008072S)

  
**G. K. Subramaniam**  
Partner  
Membership No: 109839  
Place: Chennai  
Date: May 17, 2022  
UDIN: 22109839AJCJRZ1774



For **Suresh Surana & Associates LLP**  
Chartered Accountants  
(Firm Registration No. 121750W/W100010)

  
**P. Shankar Raman**  
Partner  
Membership No: 204764  
Place: Chennai  
Date: May 17, 2022  
UDIN: 22204764AJCJIQ3773



**ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls over financial reporting of **Hinduja Leyland Finance Limited** (the "Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "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 the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

4



**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

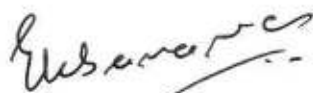
**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm Registration No. 008072S)



**G. K. Subramaniam**  
Partner  
Membership No: 109839  
Place: Chennai  
Date: May 17, 2022  
UDIN: 22109839AJCJRZ1774

For **Suresh Surana & Associates LLP**  
Chartered Accountants  
(Firm Registration No. 121750W/W100010)



**P. Shankar Raman**  
Partner  
Membership No: 204764  
Place: Chennai  
Date: May 17, 2022  
UDIN: 22204764AJCJIQ3773



**ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT**

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

- (i) According to the information and explanations given to us, in respect of Property, Plant and Equipment & Intangible Assets
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company has maintained proper records showing full particulars of intangible assets.
  - b) The Company has a program of verification of Property, Plant and Equipment, so as to cover all the items which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee, and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.
  - d) The Company has not revalued any of its Property, Plant and Equipment including Right of Use Assets and intangible assets during the year.
  - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) a) The Company does not have any inventory and hence, reporting under clause 3(ii)(a) of the Order is not applicable.
- b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at points of time during the year, from the bank on the basis of security of current assets of the Company. According to the information and explanations given to us, the Company has not utilised any amount from the aforesaid fresh sanctioned working capital and hence no quarterly return filed by the Company with such bank. There are no fresh working capital limit sanctioned to the Company from any financial institution during the year.
- (iii) During the year, the Company has made investments in and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. The Company has not provided any guarantee or security to any other entity during the year. With respect to such investments and loans and advances:
- a) The Company's principal business is to give loans, and hence reporting under clause 3(iii)(a) of the Order is not applicable.



- b) The investments made and the terms and conditions of the grant of all the loans and advances in the nature of loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- c) In respect of loans and advances in the nature of loans (together referred to as "loan assets"), the schedule of repayment of principal and payment of interest has been stipulated. Note 3.6 to the standalone Financial Statements explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at March 31, 2022, aggregating ₹ 1,328 crore were categorised as credit impaired ("Stage 3") and ₹ 5,119 crore were categorised as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 44 to the Standalone Financial Statements. Additionally, out of loans and advances in the nature of loans with balances as at the year-end aggregating ₹ 12,390 crore, where credit risk has not significantly increased since initial recognition (categorised as "Stage 1"), overdues in the repayment interest and/or principal aggregating ₹ 1,963 crore were also identified. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.
- d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is ₹ 1,328 crore. Reasonable steps are being taken by the Company for recovery of the principal and interest as stated in the applicable Regulations and Loan agreements
- e) The Company's principal business is to give loans, and hence reporting under clause 3(iii)(e) of the Order is not applicable.
- f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances during the year in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) According to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year and no order in this respect has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunals in regard to the Company. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the services rendered by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable.



- (vii) According to the information and explanations given to us, in respect of statutory dues:
- Undisputed statutory dues, including Goods and Service tax (GST), Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.
  - There were no undisputed amounts payable in respect of GST, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
  - Details of dues of Income Tax and Value Added Tax which have not been deposited as on March 31, 2022 on account of disputes given below.

Name of Statute	Nature of Dues	Forum where the dispute is pending	Period to which amount relates	Amount Involved (Rs. in lakh)	Amount unpaid (Rs. in lakh)
Income Tax	Income Tax	CIT Appeal	AY 2017-18	991.14	991.14
Odisha VAT Act, 2004	Value Added Tax	High Court of Judicature at Orissa	2012 - 13	0.39	0.39
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax	High Court of Judicature at Hyderabad	2011 - 12	17.55	11.70
Karnataka VAT Act, 2003	Value Added Tax	High Court of Judicature at Bangalore, Karnataka	2012-13 to 2016-17	121.16	84.81

- (viii) According to the information and explanations given to us, no transactions relating to previously unrecorded income were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- (ix) According to the information and explanations given to us, in respect of borrowings:
- The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
  - The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - In our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application in respect of term loans raised towards the end of the year.
  - On an overall examination of the maturity profile of financial assets and financial liabilities provided in Note 39 to the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or an associate or a joint venture.



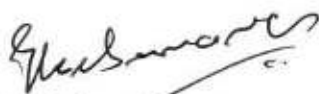
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or an associate or a joint venture.
- (x)
- a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Further, in respect of moneys borrowed through term loans or debt securities, in our opinion and according to information and explanation given to us, the Company has utilised the money for the purpose for which they were borrowed, other than temporary deployment pending application of proceeds.
- b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi)
- a) According to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under section 143(12) of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report.
- c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence, reporting under clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements, etc. as required by the applicable accounting standards.
- (xiv)
- a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 31, 2022.
- (xv) According to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence, provisions of section 192 of the Act are not applicable.
- (xvi)
- a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.
- b) During the year,
- the Company has not conducted any Non-Banking Financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934.
  - the Company has not conducted any Housing Finance activities and is not required to obtain CoR for such activities from the RBI.



The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(c) and (d) of the Order is not applicable.

- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company. Hence, reporting under clause 3(xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, Asset Liability Maturity (ALM) pattern, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.
- (xxi) According to the information and explanations given to us, and based on the CARO reports issued by the auditors of the subsidiaries, an associate and joint venture included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors and provided to us, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO report.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm Registration No. 008072S)



**G. K. Subramaniam**  
Partner  
Membership No: 109839  
Place: Chennai  
Date: May 17, 2022  
UDIN: 22109839AJCJRZ1774



For **Suresh Surana & Associates LLP**  
Chartered Accountants  
(Firm Registration No. 121750W/W100010)



**P. Shankar Raman**  
Partner  
Membership No: 204764  
Place: Chennai  
Date: May 17, 2022  
UDIN: 22204764AJCJIQ3773





**HINDUJA LEYLAND FINANCE LIMITED**  
Standalone Balance Sheet as at 31 March 2022

		INR In Lakh	
Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	5	79,779	80,838
Bank balance other than cash and cash equivalents	6	3,872	5,585
Loans	7	18,06,315	19,53,159
Investments	8	1,45,263	98,707
Other financial assets	9	34,417	31,427
		<b>20,69,646</b>	<b>21,69,716</b>
<b>Non-financial assets</b>			
Current tax assets (net)		9,182	5,639
Property, plant and equipment	10	8,107	8,429
Capital work-in-progress		44	38
Other intangible assets	10A	68	72
Right of use assets	10B	3,594	2,632
Other non-financial assets	11	5,486	5,736
		<b>26,481</b>	<b>22,546</b>
<b>Total Assets</b>		<b>20,96,127</b>	<b>21,92,262</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Payables			
Trade payables	12	-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding of an debtors dues other than micro enterprises and small enterprises		3,128	1,722
Debt securities	13	1,32,816	1,25,432
Borrowings (other than debt securities)	14	13,75,767	14,70,540
Deposits	15	162	162
Subordinated liabilities	16	1,22,141	1,27,814
Other financial liabilities	17	58,087	61,423
		<b>16,92,101</b>	<b>17,87,093</b>
<b>Non-financial liabilities</b>			
Provisions	18	264	386
Deferred tax liabilities (net)	32	17,588	21,705
Other non-financial liabilities	19	1,010	557
		<b>18,862</b>	<b>22,648</b>
<b>EQUITY</b>			
Equity share capital	20	46,989	46,978
Other equity	21	3,38,175	3,35,543
		<b>3,85,164</b>	<b>3,82,521</b>
<b>Total Liabilities and Equity</b>		<b>20,96,127</b>	<b>21,92,262</b>

The notes referred to above form an integral part of these standalone financial statements

As per our report of even date  
for **Deloitte Haskins & Sells**  
Chartered Accountants

For and on behalf of the Board of Directors of  
**Hinduja Leyland Finance Limited**  
CIN : U65993TN2008PLC069837

**G.K.Subramaniam**  
Partner

**Dheeraj G Hinduja**  
Chairman  
DIN No : 00133410

**S Nagarajan**  
Executive Vice Chairman  
DIN No : 00009236

**Sachin Pillai**  
Managing Director & CEO  
DIN No : 06400793

for **Suresh Surana & Associates LLP**  
Chartered Accountants

**S Shankar Raman**  
Partner

**Kishore Kumar Lodha**  
Chief Financial Officer

**B Shanmugasundaram**  
Company Secretary  
Membership No: F5949





**HINDUJA LEYLAND FINANCE LIMITED**  
Standalone Statement of Profit and Loss for the year ended 31 March 2022

			INR In Lakh
Particulars	Note No.	Year ended 31 March 2022	Year ended 31 March 2021
<b>Revenue from operations</b>			
Interest income	22	2,39,527	2,49,277
Fees and commission income	23	5,305	3,747
Net gain on fair value changes		(805)	3,542
Net gain on derecognition of financial instruments	24	20,437	18,716
<b>Total revenue from operations</b>		<b>2,64,464</b>	<b>2,75,282</b>
Other income	25	1,582	2,200
<b>Total income</b>		<b>2,66,046</b>	<b>2,77,482</b>
<b>Expenses</b>			
Finance costs	26	1,33,699	1,42,693
Fees and commission expense	27	5,961	3,778
Impairment on financial assets	28	70,425	73,609
Employee benefits expenses	29	14,353	13,977
Depreciation and amortization expense	30	1,588	1,859
Others expenses	31	8,736	6,411
<b>Total expenses</b>		<b>2,34,762</b>	<b>2,42,327</b>
<b>Profit before tax</b>		<b>31,284</b>	<b>35,155</b>
<b>Tax expense:</b>			
Current tax		5,197	10,868
Deferred tax	32	2,872	(2,103)
Tax pertaining to earlier years		-	(623)
<b>Total Taxes</b>		<b>8,069</b>	<b>8,142</b>
<b>Net profit for the year</b>		<b>23,215</b>	<b>27,013</b>
<b>Other comprehensive income</b>			
(A) (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		70	(33)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(18)	11
(B) (i) Items that will be reclassified to profit or loss			
(i) Fair value (loss)/gain on financial assets carried at Fair Value Through Other Comprehensive Income (FVTOCI)		(27,837)	40,818
(ii) Income tax relating to items that will be reclassified to profit or loss		7,006	(10,274)
<b>Total other comprehensive income</b>		<b>(20,779)</b>	<b>30,522</b>
<b>Total comprehensive income</b>		<b>2,436</b>	<b>57,535</b>
<b>Earnings per equity share (face value Rs.10 each)</b>	33		
- Basic (in Rs.)		4.94	5.75
- Diluted (in Rs.)		4.94	5.75

The notes referred to above form an integral part of these standalone financial statements.

As per our report of even date  
for **Deloitte Haskins & Sells**  
Chartered Accountants

For and on behalf of the Board of Directors of  
**Hinduja Leyland Finance Limited**  
CIN : U65993TN2008PLC069837

**G.K.Subramaniam**  
Partner

for **Suresh Surana & Associates LLP**  
Chartered Accountants

**Dheeraj G Hinduja**  
Chairman  
DIN No : 00133410

**S Nagarajan**  
Executive Vice Chairman  
DIN No : 00009236

**Sachin Pillai**  
Managing Director & CEO  
DIN No : 06400793

**P Shankar Raman**  
Partner

Place : Chennai  
Date : 17 May 2022

**Kishore Kumar Lodha**  
Chief Financial Officer

**B Shanmugasundaram**  
Company Secretary  
Membership No: F5949





**HINDUJA LEYLAND FINANCE LIMITED**  
Standalone Statement of cash flow for the year ended 31 March 2022

	INR In Lakh	
	Year ended 31 March 2022	Year ended 31 March 2021
<b>A. Cash flow from operating activities</b>		
Net profit before tax	31,284	35,155
Adjustments for:		
Depreciation and amortization expense	1,588	1,859
Profit on disposal of property, plant and equipment(PPE)	(74)	(40)
Net loss/(gain) on fair value changes/disposal of investment	805	(3,542)
Finance costs	1,33,699	1,42,693
Interest income	(2,41,109)	(2,51,477)
Provision for expected credit loss and amounts written off	66,735	70,618
Impairment loss on other receivables	3,690	2,991
Share based payment expense	159	336
<b>Operating cash flow before working capital changes</b>	<b>(3,223)</b>	<b>(1,407)</b>
Adjustments for (Increase) / Decrease in operating assets:		
Other receivables	-	
Loans	52,272	(1,30,794)
Other non- financial assets	250	(2,807)
Other financial assets	(47,437)	(16,617)
Adjustments for Increase / (Decrease) in operating liabilities:		
Trade payables	1,406	(235)
Other financial liabilities	(5,259)	(2,854)
Other non financial liabilities	401	176
<b>Net cash used in operations</b>	<b>(1,590)</b>	<b>(1,54,538)</b>
Finance cost	(1,32,001)	(1,44,614)
Interest income	2,39,697	2,49,443
Taxes paid (net)	(7,859)	(2,931)
<b>Net cash generated from/(used in) operating activities (A)</b>	<b>98,246</b>	<b>(52,640)</b>
<b>B. Cash flow from investing activities</b>		
Investment in pass through securities and security receipts (net)	3,340	7,678
Investment in redeemable non-convertible debentures (net)	(2,288)	368
Investment in equity shares of subsidiary companies	(7,754)	(2,500)
Bank deposits (having original maturity of more than three months)	1,713	9,025
Purchase of fixed assets including capital work-in-progress	(110)	(3,986)
Interest on fixed deposits	224	1,516
<b>Net cash used in investing activities (B)</b>	<b>(4,875)</b>	<b>12,101</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares including securities premium (net)	48	15
Proceeds from borrowings	5,91,809	6,16,408
Repayments of borrowings	(6,76,226)	(6,14,697)
Proceeds from working capital loan / cash credit and commercial paper (net)	(8,645)	37,790
Payments of Lease liability	(1,416)	(1,018)
<b>Net cash (used in)/generated from financing activities (C)</b>	<b>(94,430)</b>	<b>38,498</b>
Net decrease in cash and cash equivalents (A+B+C)	(1,059)	(2,041)
Cash and cash equivalents at the beginning of the year	80,838	82,879
Cash and cash equivalents at the end of the year	79,779	80,838





**HINDUJA LEYLAND FINANCE LIMITED**  
**Standalone Statement of cash flow for the year ended 31 March 2022**

	Note	INR In Lakh	
		As at 31 Mar 2022	As at 31 Mar 2021
<b>Components of cash and cash equivalents</b>	<b>5</b>		
Cash and cheques on hand		20,827	27,413
Balances with banks		58,952	53,425
		<u>79,779</u>	<u>80,838</u>

The notes referred to above form an integral part of these financial statements.

As per our report of even date  
for **Deloitte Haskins & Sells**  
Chartered Accountants

For and on behalf of the Board of Directors of  
**Hinduja Leyland Finance Limited**  
CIN : U65993TN2008PLC069837

**G.K. Subramaniam**  
Partner

for **Suresh Surana & Associates LLP**  
Chartered Accountants

**P Shankar Raman**  
Partner

Place : Chennai  
Date : 17 May 2022

**Dheeraj G Hinduja**  
Chairman  
DIN No : 00133410

**S Nagarajan**  
Executive Vice Chairman  
DIN No : 00009236

**Sachin Pillai**  
Managing Director & CEO  
DIN No : 06400793

**Kishore Kumar Lodha**  
Chief Financial Officer

**B Shanmugasundaram**  
Company Secretary  
Membership No: F5949





**HINDUJA LEYLAND FINANCE LIMITED**  
Statement of changes in equity for the year ended 31 March 2022

**A Equity share capital**

Particulars	INR in Lakh	
	Number of shares	Amount
Balance as at 1 April 2020	46,97,52,490	46,975
Change in equity share capital during the year		
Add: Issued during the year	30,000	3
<b>Balance as at 31 March 2021</b>	<b>46,97,82,490</b>	<b>46,978</b>
Change in equity share capital during the year		
Add: Issued during the year	1,10,500	11
<b>Balance as at 31 March 2022</b>	<b>46,98,92,990</b>	<b>46,989</b>

B Other equity	Reserves and Surplus				Other items of other comprehensive income		Total
	Statutory reserve w/s 45-IC of The Reserve Bank of India Act, 1934	Securities premium	Other reserves - Employee stock option outstanding	Retained earnings	Remeasurement of defined benefit plans	Fair value (loss)/gain on financial assets	
Balance as at 1 April 2020	29,255	96,247	293	1,06,178	(23)	45,710	2,77,660
Share based expenses	-	-	336	-	-	-	336
Premium on issue of share capital	-	12	-	-	-	-	12
Profit for the year	-	-	-	27,013	-	-	27,013
Transfer to / from reserve	5,403	397	(397)	(5,403)	-	-	-
Other comprehensive income (net of tax)	-	-	-	-	(22)	30,544	30,522
<b>Balance as at 31 March 2021</b>	<b>34,658</b>	<b>96,656</b>	<b>232</b>	<b>1,27,788</b>	<b>(45)</b>	<b>76,254</b>	<b>3,35,543</b>
Share based expenses	-	-	159	-	-	-	159
Premium on issue of share capital	-	37	-	-	-	-	37
Profit for the year	-	-	-	23,215	-	-	23,215
Transfer to / from reserve	4,643	13	(13)	(4,643)	-	-	-
Other comprehensive income (net of tax)	-	-	-	-	52	(20,831)	(20,779)
<b>Balance as at 31 March 2022</b>	<b>39,301</b>	<b>96,706</b>	<b>378</b>	<b>1,46,360</b>	<b>7</b>	<b>55,423</b>	<b>3,38,175</b>

The notes referred to above form an integral part of these standalone financial statements.

As per our report of even date  
for **Deloitte Haskins & Sells**  
Chartered Accountants

For and on behalf of the Board of Directors of  
**Hinduja Leyland Finance Limited**  
CIN : U65993TN2008PLC069837

**G.K.Subramaniam**  
Partner

**Dheeraj G Hinduja**  
Chairman  
DIN No : 00133410

**S Nagarajan**  
Executive Vice Chairman  
DIN No : 00009236

**Sachin Pillai**  
Managing Director & CEO  
DIN No : 06400793

for **Suresh Surana & Associates LLP**  
Chartered Accountants

**P Shankar Raman**  
Partner

**Kishore Kumar Lodha**  
Chief Financial Officer

**B Shanmugasundaram**  
Company Secretary  
Membership No: F5949

Place : Chennai  
Date : 17 May 2022





Link Intime India Pvt. Ltd.

CIN : U67190MH1999PTC118368

C- 101, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai - 400 083.

Tel. : +91 22 4918 6000

Fax : +91 22 4918 6060

E-mail : mumbai@linkintime.co.in

Website : www.linkintime.co.in

**September 25, 2024**

To

**Hinduja Leyland Finance Limited**

27-A Developed Industrial Estate (south phase)

Guindy

Chennai - 600032

Dear Sir/Madam,

**Sub.: Consent to act as Registrar to the Proposed issue of " re-issue of 5,000 (Five thousand) rated, listed, subordinated, unsecured, taxable, redeemable, transferable, non-convertible debentures denominated in Indian Rupees ("INR"), having a face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 50,00,00,000 (Indian Rupees Fifty Crore) ("Debentures" or "NCDs") on a private placement basis (the "Issue")"**

We refer to the subject issue and hereby accept our appointment as 'Registrar' for Electronic Connectivity Provider to issue of " re-issue of 5,000 (Five thousand) rated, listed, subordinated, unsecured, taxable, redeemable, transferable, non-convertible debentures denominated in Indian Rupees ("INR"), having a face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 50,00,00,000 (Indian Rupees Fifty Crore) and give our consent to incorporate our name as "Registrar to the Issue" in the offer documents.

Our Permanent SEBI Registration No.: INR000004058.

Thanking You.

Yours faithfully,

For Link Intime India Pvt Ltd.

  
Ganesh Jadhav

Asst. Vice President - Depository Operations

**No. CARE/CRO/RL/2024-25/1191**

**Shri Vikas Jain**  
**Chief Financial Officer**  
**Hinduja Leyland Finance Limited**  
 27 A, Developed Industrial Estate,  
 Guindy, Chennai-600032  
 Chennai  
 Tamil Nadu 600032



August 14, 2024

**Confidential**

Dear Sir,

**Credit rating for Subordinated Debt issue**

On the basis of recent developments including operational and financial performance of your Company for FY24 (Audited) and Q1FY25 (Provisional), our Rating Committee has reviewed the following ratings:

Sr. No.	Instrument	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
1.	Subordinate Debt Issue - III	200.00	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed
2.	Subordinate Debt Issue - IV	150.00	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed
3.	Subordinate Debt Issue - V	175.00	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed
4.	Subordinate Debt Issue - VI	200.00	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed
5.	Subordinate Debt Issue - VII	300.00	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed
6.	Subordinate Debt Issue - VIII	300.00	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed
7.	Subordinate Debt Issue - IX	500.00	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed
8.	Subordinated debt - Market Linked Debenture	150.00	CARE PP-MLD AA; Stable (Principal Protected- Market Linked Debentures Double A; Outlook: Stable)	Reaffirmed

2. Refer Annexure-I for details of debt instruments.

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other CARE Ratings Ltd.'s publications.



CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
 No. 769, Anna Salai, Chennai - 600 002  
 Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
 Somaiya Hospital Road, Off Eastern Express  
 Highway, Sion (E), Mumbai - 400 022  
 Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLC071691

3. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors
-----------------	------	--------------------	-------------	----------------------	---------------------	-----------------	---	-----------------------------

4. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
5. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
6. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
7. Users of this rating may kindly refer our website [www.careedge.in](http://www.careedge.in) for latest update on the outstanding rating.
8. CARE Ratings Ltd. ratings are not recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.



CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLC071691

Thanking you,  
Yours faithfully,



**Sakshi Arora**  
Lead Analyst  
[sakshi.arora@careedge.in](mailto:sakshi.arora@careedge.in)



**Ravi Shankar R**  
Associate Director  
[ravi.s@careedge.in](mailto:ravi.s@careedge.in)

Encl.: As above

Disclaimer

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.



CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLC071691

## Annexure-I

### Details of rated instruments

Instrument	ISIN Number	Date of Issuance	Coupon Rate	Maturity Date	Amount Rated
					(Rs. Crore)
Sub Debt - III	INE146O08100	28-Aug-17	9.40%	28-Aug-24	100.00
Sub Debt - III	INE146O08118	13-Sep-17	9.20%	13-Sep-24	100.00
Sub Debt - IV	INE146O08134	27-Mar-18	10.15%	27-Mar-25	100.00
Sub Debt - IV	INE146O08209	22-Apr-21	9.75%	21-Apr-28	50.00
Sub-debt - V	INE146O08159	29-Mar-19	11.60%	29-Sep-24	100.00
Sub-debt - V	INE146O08191	26-Mar-21	9.75%	25-Sep-26	75.00
Sub-debt - VI	INE146O08175	30-Apr-21	9.75%	08-Oct-26	50.00
Sub-debt - VI	INE146O08217	19-Jul-21	9.70%	19-Jan-27	50.00
Sub-debt - VI	INE146O08225	22-Jun-23	9.50%	22-Jun-33	75.00
Sub-debt - VI	INE146O08233	23-Aug-23	9.45%	23-Aug-33	135.00
Sub-debt - VII		20-Sep-23	9.45%	23-Aug-33	90.00
Sub-debt - VII	INE146O08233	13-Nov-23	9.45%	23-Aug-33	50.00
		21-Nov-23	9.45%	23-Aug-33	35.00
Sub-debt - VII	INE146O08241	30-Nov-23	9.40%	30-Jan-31	50.00
Sub-debt - VIII					
Sub-debt - VIII	INE146O08233	21-Dec-23	9.45%	23-Aug-33	40.00
Sub-debt - VIII	INE146O08241	19-Jan-24	9.40%	30-Jan-31	50.00
Sub-debt - VIII	INE146O08233	20-Mar-24	9.45%	23-Aug-33	20.00
Sub-debt - VIII	INE146O08233	24-May-24	9.45%	23-Aug-33	50.00
Sub-debt - VIII	INE146O08258	29-May-24	9.65%	29-May-39	90.00
Sub-debt - VIII					
Sub-debt - IX	INE146O08266	29-May-24	9.50%	29-Nov-29	100.00
Sub-debt - IX					
Sub-debt - IX	INE146O08266	26-Jun-24	9.50%	29-Nov-29	100.00
Sub-debt - IX	INE146O08274	10-Jul-24	9.50%	10-Jul-39	125.00
Sub-debt - IX	INE146O08274	22-Jul-24	9.50%	10-Jul-39	65.00
Sub-debt - IX	INE146O08233	13-Aug-2024	9.45%	23-Aug-2033	45.00
Sub-debt - IX	Proposed	-	-	-	80.00
Sub-Debt-PP MLD	INE146O08142	18-Sep-18	G-Sec Linked	17-Sep-24	150.00
<b>Total</b>					<b>1975.00</b>

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLC071691

**No. CARE/CRO/RL/2024-25/1193**

**Shri Vikas Jain**  
**Chief Financial Officer**  
**Hinduja Leyland Finance Limited**  
27 A, Developed Industrial Estate,  
Guindy, Chennai-600032  
Chennai  
Tamil Nadu 600032



August 14, 2024

**Confidential**

Dear Sir,

**Credit rating for proposed Subordinated debt issue**

Please refer to your request for rating of proposed subordinated debt issue aggregating to Rs.500 crore of your Company.

2. The following ratings have been assigned by our Rating Committee:

Sr. No.	Instrument	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
1.	<b>Subordinate Debt-X (Proposed)</b>	<b>500.00</b>	<b>CARE AA; Stable (Double A; Outlook: Stable)</b>	<b>Assigned</b>

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of six months from the date of our initial communication of rating to you (that is August 14, 2024).
4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.
5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors
-----------------	------	--------------------	-------------	----------------------	---------------------	-----------------	---	-----------------------------

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other CARE Ratings Ltd.'s publications.

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLC071691

6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.
7. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
8. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
9. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
10. Users of this rating may kindly refer our website [www.careedge.in](http://www.careedge.in) for latest update on the outstanding rating.
11. Our ratings are **not** recommendations to buy, sell or hold any securities.
12. If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE Ratings Ltd.

Thanking you,

Yours faithfully,



**Sakshi Arora**  
Lead Analyst  
[sakshi.arora@careedge.in](mailto:sakshi.arora@careedge.in)



**Ravi Shankar R**  
Associate Director  
[ravi.s@careedge.in](mailto:ravi.s@careedge.in)



CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLC071691

Encl.: As above

Disclaimer

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.



CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLC071691

**Annexure**  
**Press Release**  
**Hinduja Leyland Finance Limited**

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long-term bank facilities	23,503.00 (Enhanced from 19,503.00)	CARE AA; Stable	Reaffirmed
Short-term bank facilities	200.00	CARE A1+	Reaffirmed
Non-convertible debenture issue - XX	100.00 (Reduced from 200.00)	CARE AA; Stable	Reaffirmed
Non-convertible debenture issue - XXI	500.00	CARE AA; Stable	Reaffirmed
Principal-protected market-linked debenture issue - II	0.00	-	Withdrawn
Principal-protected market-linked debenture issue - III	80.00 (Reduced from 150.00)	CARE PP-MLD AA; Stable	Reaffirmed
Subordinated debt - III	200.00	CARE AA; Stable	Reaffirmed
Subordinated debt - IV	150.00	CARE AA; Stable	Reaffirmed
Subordinated debt - V	175.00	CARE AA; Stable	Reaffirmed
Subordinated debt - VI	200.00	CARE AA; Stable	Reaffirmed
Subordinated debt - VII	300.00	CARE AA; Stable	Reaffirmed
Subordinated debt - VIII	300.00	CARE AA; Stable	Reaffirmed
Subordinated debt – IX	500.00	CARE AA; Stable	Assigned
Subordinated debt – Principal-protected market-linked debenture	150.00	CARE PP-MLD AA; Stable	Reaffirmed
Commercial paper	2,000.00 (Enhanced from 1,800.00)	CARE A1+	Reaffirmed

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

Ratings assigned to bank facilities and various debt instruments of Hinduja Leyland Finance Limited (HLF) continue to factor in the experienced management team of HLF, the demonstrated ability of HLF to raise funds to support business growth, the adequate capitalisation levels supported by capital raise in FY23 (FY refers to the period from April 01 to March 31), the diversified product profile, the geographically diversified loan portfolio, and the relatively-diversified funding profile. Ratings also factor in the support from the parent, Ashok Leyland Limited (ALL; rated 'CARE AA; Stable/CARE A1+') and the benefits derived from being part of the Hinduja group, including the periodic infusion of equity on a need basis.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

### CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

That said, ratings continue to be constrained by the moderate profitability and moderate asset quality. HLF has also achieved significant growth in the scale of operations in the past year, with the consolidated assets under management (AUM) witnessing a growth of 23% to ₹36,906 crore as on March 31, 2023, as against ₹30,079 crore as on March 31, 2022. AUM further witnessed growth of 21% in 9MFY24 to ₹44,697 crore as on December 31, 2023.

On January 14, 2022, the board of NDL Ventures Limited (previously known as NXTDIGITAL Limited (NDL)) decided that the Digital Media & Communication Business undertaking of NDL would be transferred to Hinduja Global Solutions Limited (HGS) and HLF will be merged into NDL subsequently. Post transfer, NDL will have no meaningful operations and will have assets such as cash and small parcels of land (real estate), which is expected to be small in relation to HLF's net worth. The merger is unlikely to have an impact on the credit profile of HLF. However, HLF will be listed, providing immediate access to the equity capital market, as the existing shareholders of HLF will receive shares of NDL as per the share swap valuation.

The Board of Directors of HLF, at their meeting held on November 25, 2022, inter alia have unanimously approved the scheme of merger by absorption. The proposed merger will be subject to the applicable regulatory and shareholder approvals.

CARE Ratings Limited (CARE Ratings) has withdrawn the rating assigned to the PP-MLD issue-II aggregating to ₹20 crore and ₹70 crore of PP-MLD issue-III of HLF with immediate effect. The above action has been taken at the request of the company, as the company has not utilised ratings for mobilising funds and there is no amount outstanding under the said issue as on date.

### **Rating sensitivities: Factors likely to lead to rating actions**

#### **Positive factors – Factors that could, individually or collectively, lead to positive rating action/upgrade:**

- Significant increase in the scale of operations along with improvement in the asset quality and profitability parameters with ROTA of above 2% on a sustained basis.
- Improvement in the credit profile of the parent.

#### **Negative factors – Factors that could, individually or collectively, lead to negative rating action/downgrade:**

- Moderation in the asset quality and delinquency levels, with non-performing assets (on AUM basis) above 7% on a sustained basis.
- Deterioration in the capital adequacy parameters, with the total capital adequacy ratio (CAR) falling below 16% on a sustained basis.
- Significant deterioration in the credit profile of the parent.

### **Analytical approach**

Consolidated approach, along with factoring in linkages with the parent.

CARE Ratings has taken consolidated approach; considering that the subsidiaries are an integral part of the group with business linkages and common promoter. The list of the subsidiaries considered for consolidation is as per Annexure-6.

HLF enjoys strong operational linkages with access to the dealer network of ALL and a common brand name and logo. Apart from the demonstrated track record of equity infusion in the past, HLF also enjoys financial flexibility in terms of mobilising funds from various sources at competitive rates.

### **Outlook: Stable**

The stable outlook reflects the likely continuation of the stable credit profile supported by a diversified product profile and demonstrated fund-raising ability, including benefits derived from being part of the Hinduja group.

## **CARE Ratings Limited**

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLC071691

## Detailed description of the key rating drivers

### Key strengths

#### Strong parentage and benefits derived from being part of the Hinduja group

The Hinduja group, established in Mumbai in 1918, has a global presence across 30 countries. The group has a presence in various industries, including automotive, banking and finance, Information Technology (IT)/Information Technology-enabled services (ITES), and energy and chemicals. HLF is a subsidiary of ALL (rated 'CARE AA; Stable/CARE A1+'), one of the leading players in the domestic commercial vehicles (CVs) segment. HLF is a strategically important subsidiary for ALL, and ALL vehicles constitute 36% of HLF's standalone AUM as on March 31, 2023. Being part of the Hinduja group, HLF enjoys financial flexibility in terms of mobilising funds from various sources at competitive rates. CARE Ratings expects the parent to continue to provide need-based support to HLF.

#### Experienced promoters and senior management team

The Hinduja group has a track record of establishing and successfully running banking and finance companies. The experience of the management team in running similar businesses is a key strength for HLF. Dheeraj Hinduja, Chairman of ALL, is also the Chairman of HLF. The board of HLF consists of 10 directors, including six independent directors with rich experience in the financial services sector. Also, the company has an experienced senior management team, which takes care of its daily operations.

#### Established credit appraisal, risk monitoring, and collection

The branch structure consists of product manager or location-in-charge, one marketing executive, and collection executive. The marketing executive obtains the applications on a pre-printed proposal booklet and a proposal evaluation form and approval process is carried on ERP system. The field investigation is carried out by the marketing executive. The location in-charge/product manager reviews the proposal. The documents are sent for approval or sanction to the appropriate authority as per the delegation of powers. Post approval and completion of the pre-disbursal documentation, the loan amount is to be disbursed post creation of the contract and checking of the complete file. The credit audit team carries out the review on the documents and policy-adherence points and gives feedback to the location in case of any discrepancies. The collection process has been strengthened by creating a separate collection vertical, employing larger supervisory levels and by the launch of a collections app. The collections happen in the form of National Automated Clearing House (NACH) or cheque or cash.

Based on the knowledge and expertise gained in the financial services sector, the management has developed an in-house enterprise IT system. In addition to providing complete information about each account throughout its credit life-cycle, the IT system also aids the management in monitoring and reviewing its portfolio on a daily basis.

HLF has an associate company, HLF Services Limited, which provides employee support to HLF, in addition to the on-role employees. HLF has made investments in Gro Digital Platform (a 50:50 joint venture [JV] between ALL and HLF), which provides various solutions to transporters and the Gaadimandi Platform (100% owned by HLF), which is a digital platform for buying and selling of pre-owned vehicles.

#### Diversified funding profile, however, bank funding remains a major source in recent years

HLF's funding profile is well diversified with access towards low-cost funding from banks, market instruments like non-convertible debentures (NCDs), and subordinated debt and short-term commercial papers (CPs). HLF's bank borrowings are diversified with borrowings from various banks, which include a good mix of both public and private sector banks. The share of bank borrowings (including cash credit [CC]/working capital demand loan [WC DL]) stood at 81% as on March 31, 2023, as against 80% as on March 31, 2022.

NCDs constituted 5% of the total borrowings, followed by sub-debt constituting 5% of the total borrowings and term loan from non-banking finance companies (NBFCs), financial institutions (FIs) (Small Industries Development Bank of India [SIDBI] and Mudra) constitute 8% and commercial papers (CP) constitute 1% as on March 31, 2023. HLF also raises funds through Direct Assignment (DA) of portfolio which stood at ₹5,650 crore as on March 31, 2023 (PY: ₹4,904 crore as on March 31, 2022).

As on December 31, 2023, the share of term loans from banks stood at 75%, followed by term loans from NBFCs, FIs constitute 10%, sub-debt at 5%, CP outstanding at 5% and NCDs at 1%. The funds raised through DA stood at ₹6,484 crore as on December

### CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

31, 2023. CARE Ratings expects the share of capital market borrowings to increase going forward in the medium term.

### **Adequate capitalisation levels, supported by capital raise in FY23**

During October 2022, HLF has mobilised ₹910 crore from qualified institutional buyers (QIBs), thus resulting in an improvement in the capital-to-risk weighted assets ratio (CRAR) level. Supported by the equity infusion, the total capital adequacy ratio (CAR) and Tier-I CAR improved to 20.6% and 18.7%, respectively, as on December 31, 2022, as against 18.7% and 15.9% respectively as on March 31, 2022. With significant growth in the portfolio, total CAR and Tier-I CAR stood at 18.6% and 17.1% as on March 31, 2023. With growth in the AUM during 9MFY24, the total CAR and Tier-I CAR slightly moderated to 18.0% and 15.2%, respectively, as on December 31, 2023.

The overall gearing stood at 4.03x as on March 31, 2023, as against 4.2x as on March 31, 2022 (4.7x as on December 31, 2023). On a consolidated basis, overall gearing stood at 4.6x as on March 31, 2023, as against 4.7x as on March 31, 2022. (5.4x as on December 31, 2023). CARE Ratings notes that the Hinduja group has been providing need-based support to the company in the form of fresh equity infusion as and when required.

HLF has a wholly owned subsidiary, Hinduja Housing Finance Limited (HHFL), incorporated in FY16 to operate in the housing finance segment. HLF has been continuously infusing equity to support the growth of HHFL, and as on December 31, 2023, HLF has infused ₹493 crore (including ₹161 crore in FY23 and ₹40 crore in 9MFY24) since inception. HHFL's AUM stood at ₹6,667 crore as on March 31, 2023, as against ₹4,048 crore as on March 31, 2022 (₹9,348 crore as on December 31, 2023). HLF has made investments in Gro Digital Platform (a joint venture [JV] between ALL and HLF), which provides various solutions to transporters and the Gaadimandi Platform (100% owned by HLF), which is a digital platform for buying and selling of pre-owned vehicles.

### **Diversified product portfolio along with geographical diversification**

HLF has also achieved significant growth in the scale of operations in the past year, with the consolidated AUM witnessing a growth of 23% to ₹36,906 crore as on March 31, 2023, as against ₹30,079 crore as on March 31, 2022. AUM witnessed further growth of 21% in 9MFY24 to ₹44,697 crore as on December 31, 2023.

In vehicle finance, with the slowdown in auto sales and the impact of COVID-19, HLF had reported a modest growth in its AUM during FY20-FY22. However, with economic recovery, the growth bounced back in FY23 with a growth of 16% and AUM stood at ₹30,239 crore as on March 31, 2023, as against ₹26,021 crore as on March 31, 2022. AUM further increased to ₹35,349 crore as on December 31, 2023. The disbursements witnessed a growth of 88% in FY23 and stood at ₹16,134 crore as against ₹8,550 crore in FY22. During 9MFY24, the disbursements stood at ₹13,937 crore.

The share of heavy commercial vehicles (HCV) in the outstanding loan portfolio continues to remain high at 25% as on March 31, 2023, as against 24% as on March 31, 2022, and the share of the top three products (HCV, loan-against-property [LAP], and construction equipment [CE]) stood at 57% as on March 31, 2023, as against 54% as on March 31, 2022.

HLF has presence across 21 states and three Union Territories, and AUM of the company is well diversified. The share of the top three states on the overall AUM has increased on a y-o-y basis from 38% as on March 31, 2022 to 39% as on March 31, 2023.

CARE Ratings expects the portfolio and geographical diversification to continue over the medium term.

In terms of housing, HHFL witnessed an AUM growth of 65% in FY23 (PY: 57%) from ₹4,048 crore as on March 31, 2022, to ₹6,667 crore as on March 31, 2023. The disbursements increased from ₹2,090 crore in FY22 to ₹3,716 crore in FY23. AUM further increased to ₹9,348 crore as on December 31, 2023.

### **Key weaknesses**

#### **Moderate asset quality**

The gross non-performing assets (GNPA) (on-book) and net non-performing assets (NNPA) (on-book) improved and stood at 4.9% and 3.3% respectively as on March 31, 2023 as against 7.0% and 4.7% as on March 31, 2022. GNPA (on-book) and NNPA

### **CARE Ratings Limited**

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLC071691

(on-book) stood at 4.3% and 2.8% as on December 31, 2023. The GNPA (on an AUM basis) and NNPA (on an AUM basis) improved and stood at 3.7% and 2.5%, respectively as on March 31, 2023, as against 5.1% and 3.4% respectively as on March 31, 2022. The GNPA (on an AUM basis) and NNPA (on an AUM basis) improved to 3.3% and 2.1%, respectively, as on December 31, 2023. The improvement in asset quality is on account of increased collection efforts.

HLF has a standard restructured portfolio amounting to ₹1,133 crore (3.7% of the AUM) as on March 31, 2023 and ₹1,080 crore (3.1% of the AUM) as on December 31, 2023. HLF has been selling stressed book to asset reconstruction company (ARC). The security receipts outstanding stood at ₹779 crore (2.6% of AUM) as on March 31, 2023, and ₹581 crore (1.6% of AUM) as on December 31, 2023. The 30+ days past due (DPD) (on an AUM basis) has improved significantly from 24% as on March 31, 2022, to 12% as on March 31, 2023 (11% as on December 31, 2023). The ability of the company to improve its asset quality and contain slippages will be a key monitorable.

### **Moderate profitability levels**

HLF (consolidated) reported a profit-after-tax (PAT) of ₹490 crore on a total income of ₹3,502 crore in FY23 as against a PAT of ₹341 crore on a total income of ₹3,106 crore in FY22. The net interest margin (NIM) moderated 5.0% in FY23 as against 5.3% in FY22 on account of decline in yields. The operating expenses increased to 1.6% in FY23 from 1.5% in FY22. HLF reported an improvement in the pre-provision operating profit (PPOP) to ₹1,303 crore in FY23 as against ₹1,195 crore in FY22. Furthermore, with a decline in the credit cost to, 2.3% in FY23 from 3.1% in FY22, HLF reported an improvement in the return on total assets (ROTA) to 1.7% in FY23 (1.4% in FY22).

During 9MFY24, HLF reported a PAT of ₹421 crore on a total income of ₹3,277 crore as against a PAT of ₹333 crore on a total income of ₹2,530 crore in 9MFY23. CARE Ratings expects the profitability levels to remain moderate in the near term, considering the increasing nature of cost of funds.

### **Industry outlook and prospects**

The aggregate AUM of CV financing NBFCs witnessed low growth from FY20 to FY22, following three successive years of high growth rate during FY17-FY19. Such moderation in AUM growth was due to a combination of a slowdown in new CV sales volumes, which in turn, was impacted by various factors, including the cyclicity associated with the CV sector, changes in emission norms, and the COVID-19-induced economic slowdown. With the revival in economic activities, supported by the increased spending in infrastructure by the government, the AUM growth of CV financing NBFCs bounced back in FY23. The growth is expected to continue in FY24 as well.

### **Liquidity: Adequate**

The liquidity of HLF is adequate, with its asset liability management (ALM) having no negative cumulative mismatches in any of the time buckets up to one year as on December 31, 2023. The repayment obligation (principal alone) during Q4FY24 stood at ₹3,148 crore and the inflows from advances (principal alone) during Q4FY24 stood at ₹2,945 crore. As on December 31, 2023, the company had free cash and cash equivalents of around ₹2,069 crore and unavailed lines of credit (including CC) of ₹5,585 crore. The ability of the company to mobilise funds from the banks at a competitive rate adds comfort.

### **Applicable criteria**

[Consolidation](#)

[Definition of Default](#)

[Factoring Linkages Parent Sub JV Group](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios - Financial Sector](#)

[Withdrawal Policy](#)

[Short Term Instruments](#)

[Market Linked Notes](#)

[Non Banking Financial Companies](#)

### **CARE Ratings Limited**

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLC071691

## About the company and industry

### Industry classification

Macro-economic Indicator	Sector	Industry	Basic Industry
Financial services	Financial services	Finance	Non-banking financial company (NBFC)

HLF is a non-deposit taking systemically important (ND-SI) NBFC based out of Chennai, Tamil Nadu, belonging to the Hinduja group. Established in 2008, HLF started its lending operations in FY11, subsequent to the receipt of the Reserve Bank of India (RBI) license in March 2010. The company has been promoted by the group's flagship automobile manufacturing company, ALL (rated 'CARE AA; Stable/CARE A1+'), with the aim of providing funding support to ALL vehicles. HLF's exposure to ALL vehicles stood around 36% of the AUM as on March 31, 2023. HLF is also engaged in extending loans to three-wheelers, two-wheelers, small commercial vehicles (SCVs), light commercial vehicles (LCVs), tractors, CE, LAP, used CV financing, and is also engaged in portfolio buyout. During October 2022, HLF mobilised ₹910 crore through QIBs. The shareholding of the Hinduja group in HLF stands at 74.7%, wherein ALL holds 60.4% stake as on December 31, 2023.

HLF also has a presence in housing finance through its wholly owned subsidiary, HHFL. HLF also has a Joint Venture Gro Digital Platform and a wholly-owned subsidiary Gaadimandi Platform.

During FY23, the company reported a consolidated PAT of ₹490 crore (PY: ₹341 crore) on a total income of ₹3,502 crore (PY: ₹3,106 crore).

Brief Financials – Consolidated (₹ Crore)	FY22 (A)	FY23 (A)	9MFY24(UA)
Total operating income	3,106	3,502	3,277
PAT	341	490	421
Interest coverage (Times)	1.3	1.4	1.3
Total assets	24,475	32,418	39,735
Net NPA (%) (on AUM basis)	2.6	2.3	2.00
ROTA (%)	1.4	1.7	1.6

A: Audited; UA: Unaudited. Note: The above results are the latest financial results available.

**Status of non-cooperation with previous CRA:** NA

**Any other information:** NA

**Rating history for the last three years:** Please refer to Annexure-2

**Covenants of the rated instruments/facilities:** Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of the various instruments rated:** Please refer to Annexure-4

**Lender details:** Please refer to Annexure-5

**List of subsidiaries/ associates taken for consolidation:** Annexure-6

### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
Fund-based-Long term	-	-	-	June 2028	23,503.00	CARE AA; Stable
Fund-based-Short term	-	-	-	-	200.00	CARE A1+
Debentures-Non-convertible debentures-XX	INE146O07466*	02-Nov-21	7.80%	29-Dec-23	0.00	Withdrawn
		29-Sep-21	7.80%	29-Dec-23	0.00	Withdrawn
	INE146O07490	18-Dec-23	8.80%	18-Dec-26	100.00	CARE AA; Stable

### CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLC071691

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
Debentures-Non-convertible debentures-XXI	Proposed	-	-	-	500.00	CARE AA; Stable
Debentures-Market linked debentures-II	Proposed#	-	-	-	0.00	Withdrawn
Debentures-Market linked debentures-III	INE146007482	27-Jan-23	G-Sec Linked	27-Jan-26	80.00	CARE PP-MLD AA; Stable
	Proposed#	-	-	-	0.00	Withdrawn
Debt-Subordinate debt-III	INE146008100	28-Aug-17	9.40%	28-Aug-24	100.00	CARE AA; Stable
	INE146008118	13-Sep-17	9.20%	13-Sep-24	100.00	CARE AA; Stable
Debt-Subordinate debt-IV	INE146008134	27-Mar-18	10.15%	27-Mar-25	100.00	CARE AA; Stable
	INE146008209	22-Apr-21	9.75%	21-Apr-28	50.00	CARE AA; Stable
Debt-Subordinate debt-V	INE146008159	29-Mar-19	11.60%	29-Sep-24	100.00	CARE AA; Stable
	INE146008191	26-Mar-21	9.75%	25-Sep-26	75.00	CARE AA; Stable
Debt-Subordinate debt-VI	INE146008175	30-Apr-21	9.75%	08-Oct-26	50.00	CARE AA; Stable
	INE146008217	19-Jul-21	9.70%	19-Jan-27	50.00	CARE AA; Stable
	INE146008225	22-Jun-23	9.50%	22-Jun-33	75.00	CARE AA; Stable
	INE146008233	23-Aug-23	9.45%	23-Aug-33	135.00	CARE AA; Stable
Debt-Subordinate debt-VII	INE146008233	20-Sep-23	9.45%	23-Aug-33	90.00	CARE AA; Stable
	INE146008233	13-Nov-23	9.45%	23-Aug-33	50.00	CARE AA; Stable
		21-Nov-23	9.45%	23-Aug-33	35.00	CARE AA; Stable
	INE146008241	30-Nov-23	9.40%	30-Jan-31	50.00	CARE AA; Stable
Debt-Subordinate debt-VIII	INE146008233	21-Dec-23	9.45%	23-Aug-33	40.00	CARE AA; Stable
	INE146008241	19-Jan-24	9.40%	30-Jan-31	50.00	CARE AA; Stable
	INE146008233	20-Mar-24	9.45%	23-Aug-33	20.00	CARE AA; Stable
	Proposed	-	-	-	155.00	CARE AA; Stable
Debt-Subordinate debt-IX	Proposed	-	-	-	500.00	CARE AA; Stable
Debt-Subordinated debt - Market linked debenture	INE146008142	18-Sep-18	G-Sec Linked	17-Sep-24	150.00	CARE PP-MLD AA; Stable
Commercial paper-Commercial paper (Standalone)	INE146014BV3	20-Feb-24	8.95%	21-May-24	250.00	CARE A1+
Commercial paper-Commercial paper (Standalone)	INE146014BV1	21-Feb-24	8.95%	22-May-24	250.00	CARE A1+
Commercial paper-Commercial paper (Standalone)	INE146014BW9	23-Feb-24	8.85%	21-Feb-25	150.00	CARE A1+
Commercial paper-Commercial paper (Standalone)	INE146014BY5	27-Feb-24	8.78%	31-Jan-25	100.00	CARE A1+
Commercial paper-Commercial paper (Standalone)	INE146014BX7	27-Feb-24	8.78%	26-Feb-25	100.00	CARE A1+
Commercial paper-Commercial paper (Standalone)	INE146014BZ2	4-Mar-24	8.77%	03-Jun-24	250.00	CARE A1+
Commercial paper-Commercial paper (Standalone)	INE146014CA3	6-Mar-24	8.76%	05-Jun-24	200.00	CARE A1+
Commercial paper-Commercial paper (Standalone)	INE146014CB1	7-Mar-24	8.70%	06-Jun-24	150.00	CARE A1+

## CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
Commercial paper- Commercial paper (Standalone)	INE146O14CC9	7-Mar-24	8.78%	07-Mar-25	25.00	CARE A1+
Commercial paper- Commercial paper (Standalone)	INE146O14CD7	13-Mar-24	8.72%	13-Mar-25	50.00	CARE A1+
Commercial paper- Commercial paper (Standalone) (Proposed)	-	-	-	-	475.00	CARE A1+

\*The aforementioned NCD is redeemed.

#Withdrawn at the request of the company, as the company has not utilised the ratings for mobilising funds.

## Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based-Long Term	LT	23503.00	CARE AA; Stable	-	1)CARE AA; Stable (09-Jan-24) 2)CARE AA; Stable (28-Nov-23) 3)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23) 2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22) 2)CARE AA-; Stable (29-Sep-21)
2	Commercial Paper- Commercial Paper (Standalone)	ST	2000.00	CARE A1+	-	1)CARE A1+ (09-Jan-24) 2)CARE A1+ (28-Nov-23) 3)CARE A1+ (26-Apr-23)	1)CARE A1+ (25-Jan-23) 2)CARE A1+ (29-Dec-22)	1)CARE A1+ (25-Mar-22) 2)CARE A1+ (29-Sep-21)
3	Debt-Subordinate Debt	LT	-	-	-	-	-	1)Withdrawn (29-Sep-21)
4	Debt-Subordinate Debt	LT	-	-	-	-	1)Withdrawn (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22) 2)CARE AA-; Stable (29-Sep-21)

## CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLC071691

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
5	Debt-Subordinate Debt	LT	200.00	CARE AA; Stable	-	1)CARE AA; Stable (09-Jan-24)  2)CARE AA; Stable (28-Nov-23)  3)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23)  2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22)  2)CARE AA-; Stable (29-Sep-21)
6	Debt-Subordinate Debt	LT	150.00	CARE AA; Stable	-	1)CARE AA; Stable (09-Jan-24)  2)CARE AA; Stable (28-Nov-23)  3)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23)  2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22)  2)CARE AA-; Stable (29-Sep-21)
7	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (09-Jan-24)  2)CARE AA; Stable (28-Nov-23)  3)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23)  2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22)  2)CARE AA-; Stable (29-Sep-21)
8	Debt-Subordinate Debt	LT	175.00	CARE AA; Stable	-	1)CARE AA; Stable (09-Jan-24)  2)CARE AA; Stable (28-Nov-23)  3)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23)  2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22)  2)CARE AA-; Stable (29-Sep-21)

## CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLC071691

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
9	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (09-Jan-24)  2)CARE AA; Stable (28-Nov-23)  3)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23)  2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22)  2)CARE AA-; Stable (29-Sep-21)
10	Debt-Subordinated debt - Market Linked Debenture	LT	150.00	CARE PP-MLD AA; Stable	-	1)CARE PP-MLD AA; Stable (09-Jan-24)  2)CARE PP-MLD AA; Stable (28-Nov-23)  3)CARE PP-MLD AA; Stable (26-Apr-23)	1)CARE PP-MLD AA; Stable (25-Jan-23)  2)CARE PP-MLD AA; Stable (29-Dec-22)	1)CARE PP-MLD AA-; Stable (25-Mar-22)  2)CARE PP-MLD AA-; Stable (29-Sep-21)
11	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (09-Jan-24)  2)CARE AA; Stable (28-Nov-23)  3)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23)  2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22)  2)CARE AA-; Stable (29-Sep-21)
12	Debentures-Market Linked Debentures	LT	-	-	-	1)Withdrawn (09-Jan-24)  2)CARE PP-MLD AA; Stable (28-Nov-23)	1)CARE PP-MLD AA; Stable (25-Jan-23)  2)CARE PP-MLD AA; Stable (29-Dec-22)	1)CARE PP-MLD AA-; Stable (25-Mar-22)  2)CARE PP-MLD AA-; Stable (29-Sep-21)

## CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLC071691

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
						3)CARE PP-MLD AA; Stable (26-Apr-23)		
13	Debentures-Non Convertible Debentures	LT	100.00	CARE AA; Stable	-	1)CARE AA; Stable (09-Jan-24) 2)CARE AA; Stable (28-Nov-23) 3)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23) 2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22) 2)CARE AA-; Stable (29-Sep-21)
14	Fund-based-Short Term	ST	200.00	CARE A1+	-	1)CARE A1+ (09-Jan-24) 2)CARE A1+ (28-Nov-23) 3)CARE A1+ (26-Apr-23)	1)CARE A1+ (25-Jan-23) 2)CARE A1+ (29-Dec-22)	1)CARE A1+ (25-Mar-22) 2)CARE A1+ (29-Sep-21)
15	Debt-Subordinate Debt	LT	200.00	CARE AA; Stable	-	1)CARE AA; Stable (09-Jan-24) 2)CARE AA; Stable (28-Nov-23) 3)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23) 2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22) 2)CARE AA-; Stable (29-Sep-21) 3)CARE AA-; Stable (23-Apr-21)
16	Debentures-Market Linked Debentures	LT	-	-	-	1)CARE PP-MLD AA; Stable (09-Jan-24) 2)CARE PP-MLD AA; Stable (28-Nov-23)	1)CARE PP-MLD AA; Stable (25-Jan-23) 2)CARE PP-MLD AA; Stable (29-Dec-22)	1)CARE PP-MLD AA-; Stable (25-Mar-22) 2)CARE PP-MLD AA-; Stable (29-Sep-21)

## CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLC071691

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
						3)CARE PP-MLD AA; Stable (26-Apr-23)		3)CARE PP-MLD AA-; Stable (24-May-21)
17	Debentures-Market Linked Debentures	LT	80.00	CARE PP-MLD AA; Stable	-	1)CARE PP-MLD AA; Stable (09-Jan-24) 2)CARE PP-MLD AA; Stable (28-Nov-23) 3)CARE PP-MLD AA; Stable (26-Apr-23)	1)CARE PP-MLD AA; Stable (25-Jan-23)	-
18	Debt-Subordinate Debt	LT	300.00	CARE AA; Stable	-	1)CARE AA; Stable (09-Jan-24) 2)CARE AA; Stable (28-Nov-23) 3)CARE AA; Stable (26-Apr-23)	-	-
19	Debentures-Non Convertible Debentures	LT	500.00	CARE AA; Stable	-	1)CARE AA; Stable (09-Jan-24) 2)CARE AA; Stable (28-Nov-23)	-	-
20	Debt-Subordinate Debt	LT	300.00	CARE AA; Stable	-	1)CARE AA; Stable (09-Jan-24) 2)CARE AA; Stable (28-Nov-23)	-	-

## CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLC071691

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
21	Debt-Subordinate Debt	LT	500.00	CARE AA; Stable				

LT: Long term; ST: Short term

#### Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities

Not applicable

#### Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Commercial Paper-Commercial Paper (Standalone)	Simple
2	Debentures-Market Linked Debentures	Complex
3	Debentures-Non Convertible Debentures	Simple
4	Debt-Subordinate Debt	Simple
5	Debt-Subordinated debt - Market Linked Debenture	Complex
6	Fund-based-Long Term	Simple
7	Fund-based-Short Term	Simple

#### Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

#### Annexure-6: List of subsidiaries/ associates taken for consolidation as on March 31, 2023

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Hinduja Housing Finance Limited	Full	100% Subsidiary
2	Gaadi Mandi Digital Platforms Limited	Full	100% Subsidiary
3	HLF Services Limited	Proportionate	45.9% Associate
4	Gro Digital Platforms Limited	Proportionate	49.9% Joint Venture

**Note on the complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLC071691

## Contact us

<b>Media Contact</b> Name: Mradul Mishra Director <b>CARE Ratings Limited</b> Phone: +91-22-6754 3596 E-mail: <a href="mailto:mradul.mishra@careedge.in">mradul.mishra@careedge.in</a>	<b>Analytical Contacts</b> Name: Sanjay Agarwal Senior Director <b>CARE Ratings Limited</b> Phone: +91-22-6754 3500 E-mail: <a href="mailto:sanjay.agarwal@careedge.in">sanjay.agarwal@careedge.in</a>
<b>Relationship Contact</b>  Name: Pradeep Kumar V Senior Director <b>CARE Ratings Limited</b> Phone: +91-44- 2850 1001 E-mail: <a href="mailto:pradeep.kumar@careedge.in">pradeep.kumar@careedge.in</a>	Name: P Sudhakar Director <b>CARE Ratings Limited</b> Phone: +91-44-2850 1003 E-mail: <a href="mailto:p.sudhakar@careedge.in">p.sudhakar@careedge.in</a>  Name: Ravi Shankar R Assistant Director <b>CARE Ratings Limited</b> Phone: +91-44-2850 1016 E-mail: <a href="mailto:ravi.s@careedge.in">ravi.s@careedge.in</a>

### About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

### Disclaimer:

The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

**For the detailed Rationale Report and subscription information,  
please visit [www.careedge.in](http://www.careedge.in)**

### CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLC071691

RL/HLYFI/351006/SUBDEBT/0824/96197/85889098  
August 22, 2024



**Mr. Sachin Pillai**  
Managing Director & Chief Executive Officer  
**Hinduja Leyland Finance Limited**  
No. 27A,  
Developed Industrial Estate  
Guindy  
Chennai - 600032  
9345622351

Dear Mr. Sachin Pillai,

**Re: Review of CRISIL Rating on the Subordinated Debt Aggregating Rs.600 Crore of Hinduja Leyland Finance Limited**

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

CRISIL Ratings has, after due consideration, reaffirmed its CRISIL AA/Stable (pronounced as CRISIL double A rating with Stable outlook) rating on the captioned debt instrument. Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit [www.crisilratings.com](http://www.crisilratings.com) and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at [debtissue@crisil.com](mailto:debtissue@crisil.com). This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at [debtissue@crisil.com](mailto:debtissue@crisil.com) for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Rounak Agarwal  
Associate Director - CRISIL Ratings

Nivedita Shibu  
Director - CRISIL Ratings



**Disclaimer:** A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, [www.crisilratings.com](http://www.crisilratings.com). CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit [www.crisilratings.com](http://www.crisilratings.com) or contact Customer Service Helpdesk at [CRISILratingdesk@crisil.com](mailto:CRISILratingdesk@crisil.com) or at 1800-267-1301

**CRISIL Ratings Limited**

A subsidiary of CRISIL Limited, an S&P Global Company  
Corporate Identity Number: U67100MH2019PLC326247

RL/HLYFI/351006/SUBDEBT/0824/96199/154973715

August 22, 2024

**Mr. Sachin Pillai**

Managing Director &amp; Chief Executive Officer

**Hinduja Leyland Finance Limited**

No. 27A,

Developed Industrial Estate

Guindy

Chennai - 600032

9345622351



Dear Mr. Sachin Pillai,

**Re: Review of CRISIL Rating on the Rs.200 Crore Subordinated Debt of Hinduja Leyland Finance Limited**

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

CRISIL Ratings has, after due consideration, reaffirmed its CRISIL AA/Stable (pronounced as CRISIL double A rating with Stable outlook) rating on the captioned debt instrument. Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit [www.crisilratings.com](http://www.crisilratings.com) and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at [debtissue@crisil.com](mailto:debtissue@crisil.com). This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at [debtissue@crisil.com](mailto:debtissue@crisil.com) for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Rounak Agarwal  
Associate Director - CRISIL Ratings

Nivedita Shibu  
Director - CRISIL Ratings



**Disclaimer:** A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, [www.crisilratings.com](http://www.crisilratings.com). CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit [www.crisilratings.com](http://www.crisilratings.com) or contact Customer Service Helpdesk at [CRISILratingdesk@crisil.com](mailto:CRISILratingdesk@crisil.com) or at 1800-267-1301

**CRISIL Ratings Limited**

A subsidiary of CRISIL Limited, an S&P Global Company  
Corporate Identity Number: U67100MH2019PLC326247

RL/HLYFI/351006/SUBDEBT/0824/96200/161865123  
August 22, 2024



**Mr. Sachin Pillai**  
Managing Director & Chief Executive Officer  
**Hinduja Leyland Finance Limited**  
No. 27A,  
Developed Industrial Estate  
Guindy  
Chennai - 600032  
9345622351

Dear Mr. Sachin Pillai,

**Re: Review of CRISIL Rating on the Rs.300 Crore Subordinated Debt of Hinduja Leyland Finance Limited**

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

CRISIL Ratings has, after due consideration, reaffirmed its CRISIL AA/Stable (pronounced as CRISIL double A rating with Stable outlook) rating on the captioned debt instrument. Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit [www.crisilratings.com](http://www.crisilratings.com) and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at [debtissue@crisil.com](mailto:debtissue@crisil.com). This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at [debtissue@crisil.com](mailto:debtissue@crisil.com) for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Rounak Agarwal  
Associate Director - CRISIL Ratings

Nivedita Shibu  
Director - CRISIL Ratings



**Disclaimer:** A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, [www.crisilratings.com](http://www.crisilratings.com). CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit [www.crisilratings.com](http://www.crisilratings.com) or contact Customer Service Helpdesk at [CRISILratingdesk@crisil.com](mailto:CRISILratingdesk@crisil.com) or at 1800-267-1301

**CRISIL Ratings Limited**

A subsidiary of CRISIL Limited, an S&P Global Company  
Corporate Identity Number: U67100MH2019PLC326247

RL/HLYFI/351006/SUBDEBT/0824/96196/168551555

August 22, 2024

**Mr. Sachin Pillai**

Managing Director &amp; Chief Executive Officer

**Hinduja Leyland Finance Limited**

No. 27A,

Developed Industrial Estate

Guindy

Chennai - 600032

9345622351



Dear Mr. Sachin Pillai,

**Re: Review of CRISIL Rating on the Rs.500 Crore Subordinated Debt of Hinduja Leyland Finance Limited**

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

CRISIL Ratings has, after due consideration, reaffirmed its CRISIL AA/Stable (pronounced as CRISIL double A rating with Stable outlook) rating on the captioned debt instrument. Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit [www.crisilratings.com](http://www.crisilratings.com) and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at [debtissue@crisil.com](mailto:debtissue@crisil.com). This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at [debtissue@crisil.com](mailto:debtissue@crisil.com) for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Rounak Agarwal  
Associate Director - CRISIL Ratings

Nivedita Shibu  
Director - CRISIL Ratings



**Disclaimer:** A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, [www.crisilratings.com](http://www.crisilratings.com). CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit [www.crisilratings.com](http://www.crisilratings.com) or contact Customer Service Helpdesk at [CRISILratingdesk@crisil.com](mailto:CRISILratingdesk@crisil.com) or at 1800-267-1301

**CRISIL Ratings Limited**

A subsidiary of CRISIL Limited, an S&P Global Company  
Corporate Identity Number: U67100MH2019PLC326247

RL/HLYFI/351006/SUBDEBT/0824/96198/168549804

August 22, 2024

**Mr. Sachin Pillai**

Managing Director &amp; Chief Executive Officer

**Hinduja Leyland Finance Limited**

No. 27A,

Developed Industrial Estate

Guindy

Chennai - 600032

9345622351



Dear Mr. Sachin Pillai,

**Re: CRISIL Rating on the Rs.500 Crore Subordinated Debt of Hinduja Leyland Finance Limited**

We refer to your request for a rating for the captioned Debt instrument.

CRISIL Ratings has, after due consideration, assigned a CRISIL AA/Stable (pronounced as CRISIL double A rating with Stable outlook) rating to the captioned Debt instrument. Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

Further, in view of your decision to accept the CRISIL Ratings, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit [www.crisilratings.com](http://www.crisilratings.com) and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at [debtissue@crisil.com](mailto:debtissue@crisil.com). This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at [debtissue@crisil.com](mailto:debtissue@crisil.com) for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Rounak Agarwal

Associate Director - CRISIL Ratings

Nivedita Shibu

Director - CRISIL Ratings



**Disclaimer:** A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, [www.crisilratings.com](http://www.crisilratings.com). CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit [www.crisilratings.com](http://www.crisilratings.com) or contact Customer Service Helpdesk at [CRISILratingdesk@crisil.com](mailto:CRISILratingdesk@crisil.com) or at 1800-267-1301

**CRISIL Ratings Limited**

A subsidiary of CRISIL Limited, an S&P Global Company  
Corporate Identity Number: U67100MH2019PLC326247

**Details of the Rs.500 Crore Subordinated Debt of  
Hinduja Leyland Finance Limited**

	<i>1st tranche</i>		<i>2nd tranche</i>		<i>3rd tranche</i>	
<i>Instrument Series:</i>						
<i>Amount Placed:</i>						
<i>Maturity Period:</i>						
<i>Put or Call Options (if any):</i>						
<i>Coupon Rate:</i>						
<i>Interest Payment Dates:</i>						
<i>Principal Repayment Details:</i>	Date	Amount	Date	Amount	Date	Amount
<i>Investors:</i>						
<i>Trustees:</i>						

***In case there is an offer document for the captioned Debt issue, please send us a copy of it.***

**Disclaimer:** A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, [www.crisilratings.com](http://www.crisilratings.com). CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit [www.crisilratings.com](http://www.crisilratings.com) or contact Customer Service Helpdesk at [CRISILratingdesk@crisil.com](mailto:CRISILratingdesk@crisil.com) or at 1800-267-1301

**CRISIL Ratings Limited**

*A subsidiary of CRISIL Limited, an S&P Global Company*  
Corporate Identity Number: U67100MH2019PLC326247

## Rating Rationale

March 31, 2024 | Mumbai

### Hinduja Leyland Finance Limited

*'CRISIL AA/Stable' assigned to Subordinated Debt; rated amount enhanced for Bank Debt and Commercial Paper*

#### Rating Action

Total Bank Loan Facilities Rated	Rs.11000 Crore (Enhanced from Rs.7000 Crore)
Long Term Rating	CRISIL AA/Stable (Reaffirmed)

Rs.500 Crore Subordinated Debt	CRISIL AA/Stable (Assigned)
Rs.300 Crore Subordinated Debt	CRISIL AA/Stable (Reaffirmed)
Rs.200 Crore Subordinated Debt	CRISIL AA/Stable (Reaffirmed)
Rs.200 Crore Non Convertible Debentures	Withdrawn (CRISIL AA/Stable)
Rs.2000 Crore Non Convertible Debentures	CRISIL AA/Stable (Reaffirmed)
Rs.2000 Crore (Enhanced from Rs.1800 Crore) Commercial Paper	CRISIL A1+ (Reaffirmed)
Subordinated Debt Aggregating Rs.600 Crore	CRISIL AA/Stable (Reaffirmed)

*Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.*

*1 crore = 10 million*

*Refer to Annexure for Details of Instruments & Bank Facilities*

#### Detailed Rationale

CRISIL Ratings has assigned its '**CRISIL AA/Stable**' rating on Rs 500 crore subordinated debt of Hinduja Leyland Finance Limited (HLF) and reaffirmed its ratings on the existing Debt instrument and bank facilities of HLF at '**CRISIL AA/Stable/CRISIL A1+**'.

CRISIL Ratings has also withdrawn its ratings on the non-convertible debentures of Rs 200 crore (See Annexure 'Details of Rating Withdrawn' for details) on redemption and receipt of requisite documentation. The rating is withdrawn in line with CRISIL Ratings' policy on withdrawal of ratings.

The rating continues to factors in the high strategic importance of HLF for Ashok Leyland Limited (ALL), as it plays an active role in financing medium and heavy commercial vehicles (MHCv) segment of ALL. Around 35% of the overall assets under management (AUM) of HLF is financing towards the ALL vehicles as on December 31, 2023 (27% on consolidated basis). ALL, as on December 31, 2023, held 60.4% shareholding in HLF and is expected to continue to hold the majority ownership in HLF. Furthermore, ALL's support to HLF is expected to remain high on account of shared brand and strong linkages.

CRISIL Ratings has also noted that on March 16, 2022, the Board of HLF, provided an in-principle approval on the proposed merger of HLF into NDV Ventures Limited (erstwhile NTDigital Limited, NDV). The proposed merger would result in shareholders of HLF receiving the shares of NDV as per share swap valuation approved by the Board of HLF on November 25, 2022, subject to further regulatory and shareholders approval. NDV, a media vertical of Hinduja Group, is listed on both Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The transaction is at the advanced stages, wherein, both the parties are seeking approval from the stock exchanges and is likely to be consummated in near term.

CRISIL Ratings believe that the proposed merger will not have any material impact on the business profile of the company as the existing business operations of HLF will continue to run in the similar manner. With NDV becoming non-operational post the transfer, only the financing business will be there in the merged entity, which will subsequently be renamed to Hinduja Leyland Finance Limited subject to regulatory approvals. Additionally, CRISIL Ratings notes that there will not be any material changes in the future business targets of HLF. In addition to the above, CRISIL Ratings does not expect any cash outflow from HLF from the proposed transaction and the existing shareholders of HLF will be allotted additional shares

on the basis of swap valuation. The Board approved valuation for the swap ratio will be 25 equity shares of the face value Rs. 10/- each of NDH shall be issued and allotted for every 10 equity shares of the face value of Rs. 10/- each held in Hinduja Leyland Finance Limited. Post the transaction is completed Hinduja Housing Finance Limited would continue to operate as a 100% wholly owned subsidiary of HLF.

Once the transaction is consummated, the shareholding in HLF would witness negligible change, as the company will be listed on the stock exchange whilst maintaining minimum 25% of public shareholding. Nevertheless, even post-merger, CRISIL Ratings understands that the shareholding of ALL – is likely to continue with majority stake, and the same would therefore remain as the single largest shareholder in HLF. Consequently, CRISIL Ratings doesn't envisage any change in the strategic importance of HLF to ALL and believes that HLF will continue to receive strategic support from Ashok Leyland over the medium term.

### **Analytical Approach**

The ratings factor in expectation of strong support to HLF from ALL, given the majority ownership and strategic importance of HLF to ALL. CRISIL Ratings has fully consolidated the business and financial risk profiles of HLF and its subsidiaries, given the managerial, operational, and financial linkages between them.

*Please refer Annexure - List of Entities Consolidated, which captures the list of entities considered and their analytical treatment of consolidation.*

### **Key Rating Drivers & Detailed Description**

#### **Strengths:**

#### **\* Majority ownership by, and strategic importance to, Ashok Leyland and the Hinduja group**

The Hinduja group entities held 74.8% (excluding employee stock options) in HLF as on December 31, 2023, with Ashok Leyland being the primary shareholder (60.4% shareholding). HLF is of high strategic importance for ALL as it continues to play an active role in financing in MHCV segment of ALL, with about 35% of the overall assets under management (AUM) of HLF, on a standalone basis, being financed towards the ALL vehicles as on December 31, 2023 (27% on consolidated basis). ALL is expected to continue to hold the majority ownership in HLF. Furthermore, in CRISIL Ratings view, ALL's shared brand and strong linkages imply a moral obligation on parent's part to support HLF.

With the proposed merger into NDH Ventures, HLF plans to list itself on stock exchange and go public. Once the transaction is consummated, the shareholding in HLF would witness negligible change, as the company will be listed on the stock exchange whilst maintaining minimum 25% of public shareholding. Nevertheless, even post-merger, CRISIL Ratings understands that the shareholding of ALL – is likely to continue with majority stake, and the same would therefore remain as the single largest shareholder in HLF. Consequently, CRISIL Ratings doesn't envisage any change in the strategic importance of HLF to ALL and believes that HLF will continue to receive strategic support from Ashok Leyland over the medium term.

#### **\* Diversified portfolio with significant presence in the Indian vehicle finance market**

The AUM grew at an annual growth of 16% to Rs 30,239 crores as on March 31, 2023, which further grew to Rs. 35,349 crore end December 31, 2023 (y-o-y growth of 23%, annualized), on a standalone basis, primarily supported by steady share and growth of the commercial vehicle financing segment.

As on December 31, 2023, the overall portfolio of the company remained fairly diversified with vehicle loans accounting for bulk of the portfolio (70%), making HLF a large player in the vehicle finance space. Of this, commercial vehicles/construction equipment/tipper accounted for 50% of the overall AUM, followed by two and three-wheelers (12%), and other vehicles (8%). The balance portfolio comprises loans against property or LAP (21% share) and portfolio buyouts (9%). HLF forayed into these segments to diversify its business mix and increase the share of the non-vehicle portfolio.

The loan book is also well-diversified in terms of geographic reach, as HLF is present at more than 1,750 locations across 25 states and union territories.

Further, the housing finance business also remains core to the strategy going forward and its share to overall consolidated AUM is expected to increase. At a consolidated level, as on December 31, 2023, the AUM stood at Rs 44,697 crores as against Rs 36,906 crores as on March 31, 2023, of which the housing finance business accounted for 21%.

Going forward, the company plans to expand its product portfolio towards the other non-vehicle segments, thereby resulting in further diversification in the portfolio. Furthermore, the company plans to diversify within its vehicle portfolio also and start with higher yield segments such as leasing and used vehicle finance.

#### **\* Improvement in the capitalization metrics**

The capitalisation metrics of HLF remained comfortable, bolstered by the equity raise of Rs 910 crore through Qualified Institutional Buyers in October 2022. Consequently, the networth and the adjusted gearing of the company improved to Rs 5,133 crore and 5.1 times as on March 31, 2023, as against Rs 3,852 crore and 5.5 times respectively as on March 31, 2022, on a standalone basis. Capital position improved further with networth and adjusted gearing at Rs 5,352 crore and 6 times respectively as on December 31, 2023, driven by positive internal accruals during the period.

With the equity raise, at the consolidated level too, the group saw an improvement in its capitalization metrics with the networth and the adjusted gearing metrics improving to Rs 5,599 crore and 5.8 times as on March 31, 2023, as against Rs 4,103 crore and 6.0 times as on March 31, 2022.

Further, the completion of the merger with NDL will also add around Rs 200 crores to the networth for HLF. As on December 31, 2023, consolidated net worth and adjusted gearing stood at Rs 6,014 crore and 6.7 times respectively. However, CRISIL Ratings expects the gearing metrics for HLF to continue to remain under 6 times on a steady state basis.

With the completion of the merger, the group is expected to receive another Rs 200 crore from NDL Ventures, which will further provide some support to the capital position.

#### **\* Diversified resource profile with low cost of borrowings**

Hinduja Leyland Finance standalone resource profile remained well-diversified across banks and capital market instruments. As on December 31, 2023, the company had 70% of bank borrowings, followed by 20% of securitized book, 6% of capital market borrowings (*NCDs and bonds*) and balance quantum via commercial paper. While a large portion of borrowings came from the banks, nevertheless, within the bank funding, the lender-base of the company remained well diversified across 32 large PSUs/private sector banks. Nevertheless, given that almost all of HLF's bank borrowings are linked to external benchmark rates, cost of borrowings has inched up post fiscal 2023 in tandem with rise in external benchmark rates. The on-book cost of borrowings (interest expense as a % of average on-book borrowings) stood at 8.4% (annualized) as on December 31, 2023 (7.6%: March 31, 2023). Going forward, CRISIL Ratings understands that the share of capital market borrowings is also expected to increase in the medium term, while the average cost of borrowing for fiscal 2024 is expected to remain range-bound at 8.2-8.4%.

#### **Weaknesses:**

##### **\* Moderate asset quality metrics**

The asset quality metrics remained moderate with the company's 90+ dpd remaining range bound at 3.5%-4.5% over the last 5 years at a standalone level. As on December 31, 2023, the 90+ dpd (including repossessed assets) stood at 3.3%, as compared to 4.2% as on March 31, 2023. The marginal improvement in asset quality metrics was supported by the reducing repossessed portfolio, which has dropped to 0.3% of the overall AUM in December 2023, as against 2.5% in March 2019. Even on a lagged basis, the asset quality metrics remained comfortable with 1-year lagged 90+ dpd range-bound at 4.3% as on December 31, 2023, similar to that as on March 31, 2023. The comfortable asset quality metrics were supported by the strong collection efficiency numbers, wherein, the company has been reporting the efficiency ratio in the range of 95%-105% across the past twelve months, thereby indicating strong collections from the overdue portfolio also.

Additionally, the company has already provided Rs 150 crore on the restructured portfolio, which is expected to be retained in the near term, thereby providing comfort for any potential slippages which might arise from the restructured portfolio, nevertheless, the same remains a key monitorable.

In terms of segment-wise performance at the standalone level, the 90+ dpd in vehicle portfolio stood at 4.3% as on December 31, 2023, as against 4.9% as on March 31, 2023. LAP 90+ dpd stood at 1.4% as on December 31, 2023, vis-a-vis 1.5% as on March 31, 2023. The company is trying to reduce its focus on first-time users/buyers, and rather increase the share of large and medium fleet operators to support asset quality metrics in the medium term. Further, while the company has forayed into non-vehicle loans, this segment is relatively new, having been built up only over the last few years.

90+ dpd, at a consolidated level, stood at 3.1% as on December 31, 2023, as against 3.5% as on March 31, 2023, improving marginally on account of steady delinquency trend in the housing finance segment.

##### **\* Moderate earnings profile**

The earnings profile remains moderate because of relatively lower net interest margin (NIMs), though partly aided by the operating expenses ratio, which lags the industry average. Annualized NIM stood at 3.9% for fiscal 2023 as against 4.2% in fiscal 2022. The reduction in NIM was offset by the lower operating expenses and reduction in the credit costs. The credit costs (as a percentage of average managed assets) improved to 2.1% in fiscal 2023, as against 2.7% in fiscal 2022. Consequently, return on managed assets (RoMA) remained stable at 1.0% during the fiscal.

End nine months December 31, 2023, with the rise in average borrowing cost during the period to 8.4% (7.6%: fiscal 2023) on the back of RBI's repo-rate hike, HLF reported RoMA of 0.8% (annualized). Nevertheless, earnings remained cushioned owing to improving credit costs, which reduced further to 1.4% during the period.

At a consolidated basis, given the presence of the housing finance subsidiary in the affordable home loans and small-ticket size LAP, the top line gets benefit in the form of higher yields. Consequently, the RoMA for the consolidated entity stood at 1.3% during nine-month period ending December 31, 2023, (1.4%: Fiscal 2023), as against 1.1% in fiscal 2022.

The group plans to enter other non-vehicle higher yields segments, which expected to provide support on the NIMs. In addition to this, the company also plans to enter leasing and used vehicle financing, which will further add to the revenue stream. Furthermore, with the expectation of improvement in the credit costs, especially for the restructured portfolio, the overall earnings profile is expected to improve going forward.

**Liquidity: Strong**

HLF has an adequate asset liability management profile, with positive cumulative mismatches across all buckets (excluding unutilized bank limit and committed disbursement). As on December 31, 2023, HLF had liquidity of around Rs 7654 crore, comprising cash and liquid investments, unutilised cash credit/working capital demand loan (CC/WCDL) and unavailed term loans. Against the same, the company had total debt obligation (including interest payment) of Rs 3,729 crore (excluding DA payout) over the next three months i.e. January 2024 to March 2024.

**Outlook Stable**

CRISIL Ratings believes HLF will continue to receive strong support from Ashok Leyland and the Hinduja group and will also increase its share in the Indian vehicle finance market over the medium term.

**Rating Sensitivity factors****Upward factors**

- Better asset quality metrics, with gross non-performing assets declining below 2.5%, translating to improved earnings profile as the portfolio scales up
- Upward revision in CRISIL's view on Ashok Leyland's credit risk profile

**Downward factors**

- Decline in support from Ashok Leyland or material change in Ashok Leyland's shareholding in HLF, or any downward revision in CRISIL's view on the credit profile of Ashok Leyland
- Weakening of asset quality metrics, with GNPA's on AUM exceeding 6% and exerting pressure on profitability

**About the Company**

HLF, incorporated in 2008, commenced operations in 2010. It was promoted as a captive financier by the Hinduja group's flagship automobile manufacturing company, Ashok Leyland. Gradually, HLF ventured into financing of non- Ashok Leyland vehicles, and forayed into the LAP segment in fiscal 2015. Apart from commercial vehicles, the company also funds purchase of two- and three-wheelers, tractors, construction equipment and used CVs. The company has also been buying portfolios over the past 4-5 years to diversify its product profile, thereby augmenting net interest margin.

**Key Financial Indicators : (Standalone, HLF)**

As on / for the period ended		Dec-23	Mar-23	Mar-22	Mar-21
Total assets	Rs crore	31,724	26,660	20,961	21,923
Total income	Rs crore	2,450	2,755	2,660	2,775
Profit after tax	Rs crore	225	277	232	270
90+ dpd	%	3.3	3.7	4.2	4.0
Adjusted gearing ^	Times	6.0	5.1	5.5	5.9
Return on managed assets^	%	0.8*	1.0	0.9	1.0

\*Annualized

Note: All figures are as per IND-AS

^based on year-end averages

**Key Financial Indicators (Consolidated, HLF)**

As on / for the period ended		Dec-23	Mar-23	Mar-22	Mar-21
Total assets	Rs crore	39,736	32,419	24,476	24,240
Total income	Rs crore	3,277	3,502	3,098	3,053
Profit after tax	Rs crore	421	490	341	333
90+ dpd	%	3.1	3.5	4.0	3.9
Adjusted gearing ^	Times	6.7	5.8	6.0	6.2
Return on managed assets^	%	1.3	1.4	1.1	1.1

\*Annualized

Note: All figures are as per IND-AS

^based on year-end averages

**Any other information:** Not applicable**Note on complexity levels of the rated instrument:**

CRISIL Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings' complexity levels please visit [www.crisilratings.com](http://www.crisilratings.com). Users may also call the Customer Service Helpdesk with queries on specific instruments.

**Annexure - Details of Instrument(s)**

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Cr)	Complexity Level	Rating Outstanding with Outlook
NA	Subordinated debt^	NA	NA	NA	200	Complex	CRISIL AA/Stable
NA	Subordinated debt^	NA	NA	NA	40	Complex	CRISIL AA/Stable
NA	Subordinated debt^	NA	NA	NA	500	Complex	CRISIL AA/Stable
NA	Debenture^	NA	NA	NA	1900	Simple	CRISIL AA/Stable
INE146O08233	Subordinated debt	23-Aug-2023	9.45	23-Aug-2033	135	Complex	CRISIL AA/Stable
INE146O08233	Subordinated debt	20-Sep-2023	9.45	23-Aug-2033	90	Complex	CRISIL AA/Stable
INE146O08233	Subordinated debt	13-Nov-2023	9.45	23-Aug-2033	50	Complex	CRISIL AA/Stable
INE146O08233	Subordinated debt	21-Nov-2023	9.45	23-Aug-2033	35	Complex	CRISIL AA/Stable
INE146O08225	Subordinated debt	22-Jun-2023	9.5	22-Jun-2033	75	Complex	CRISIL AA/Stable
INE146O08209	Subordinated debt	22-Apr-2021	9.75	21-Apr-2028	50	Complex	CRISIL AA/Stable
INE146O08191	Subordinated debt	26-Mar-2021	9.75	25-Sep-2026	75	Complex	CRISIL AA/Stable
INE146O08183	Subordinated debt	19-Mar-2021	9.75	18-Sep-2026	50	Complex	CRISIL AA/Stable
INE146O08167	Subordinated debt	16-Feb-2021	9.75	18-Aug-2026	45	Complex	CRISIL AA/Stable
INE146O08159	Subordinated Debt	29-Mar-2019	11.6	29-Sep-2024	100	Complex	CRISIL AA/Stable
NA	Commercial Paper	NA	NA	7-365 days	2000	Simple	CRISIL A1+
INE146O07490	Debentures	18-Dec-2023	8.8	18-Dec-2026	100	Simple	CRISIL AA/Stable
INE146O08241	Subordinated debt	30-Nov-2023	9.4	30-Jan-2031	100	Complex	CRISIL AA/Stable
INE146O08175	Subordinated debt	8-Mar-2021	9.75	8-Oct-2026	55	Complex	CRISIL AA/Stable
NA	Proposed Long Term Bank Loan Facility^	NA	NA	NA	2296.34	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	31-Oct-2024	112.4	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	31-Dec-2027	150	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	31-Jan-2028	150	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	31-Mar-2025	131.24	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	30-Apr-2024	40	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	31-Mar-2024	10	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	30-Nov-2024	150	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	31-Jan-2025	184.28	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	30-Sep-2028	750	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	28-Feb-2026	91.66	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	30-Jun-2028	1500	NA	CRISIL AA/Stable

NA	Term Loan	NA	NA	30-Jun-2024	100	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	30-Jun-2028	500	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	30-Jun-2027	300	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	30-Sep-2028	1000	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	30-Sep-2028	1729.08	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	31-Dec-2025	300	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	24-Jan-2025	150	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	23-Dec-2027	350	NA	CRISIL AA/Stable
NA	Term Loan	NA	NA	30-Sep-2029	1000	NA	CRISIL AA/Stable
NA	Overdraft Facility	NA	NA	NA	5	NA	CRISIL AA/Stable

^ Yet to be issued

Annexure - Details of Rating Withdrawn

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs.Crore)	Complexity level	Rating Outstanding with Outlook
INE146O07474	Debenture	8-Mar-2022	7.45	08-Mar-2024	200	Simple	Withdrawn

Annexure – List of entities consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
Hinduja Leyland Finance Ltd	Full	Parent
Hinduja Housing Finance Ltd	Full	Subsidiary

Annexure - Rating History for last 3 Years

		Current		2024 (History)		2023		2022		2021		Start of 2021
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	11000.0	CRISIL AA/Stable		--	24-11-23	CRISIL AA/Stable	25-03-22	CRISIL AA-/Stable	30-04-21	CRISIL AA-/Stable	CRISIL AA-/Stable
			--		--	08-09-23	CRISIL AA/Stable		--	03-03-21	CRISIL AA-/Stable	--
			--		--	18-08-23	CRISIL AA/Stable		--	08-01-21	CRISIL AA-/Stable	--
			--		--	26-06-23	CRISIL AA/Stable		--		--	--
			--		--	12-06-23	CRISIL AA/Stable		--		--	--
			--		--	24-03-23	CRISIL AA/Stable		--		--	--
			--		--	17-03-23	CRISIL AA/Stable		--		--	--
			--		--							
Commercial Paper	ST	2000.0	CRISIL A1+		--	24-11-23	CRISIL A1+	25-03-22	CRISIL A1+	30-04-21	CRISIL A1+	CRISIL A1+
			--		--	08-09-23	CRISIL A1+		--	03-03-21	CRISIL A1+	--
			--		--	18-08-23	CRISIL A1+		--	08-01-21	CRISIL A1+	--
			--		--	26-06-23	CRISIL A1+		--		--	--
			--		--	12-06-23	CRISIL A1+		--		--	--
			--		--	24-03-23	CRISIL A1+		--		--	--
			--		--							

			--	--	17-03-23	CRISIL A1+		--		--	--
<b>Non Convertible Debentures</b>	LT	2000.0	CRISIL AA/Stable	--	24-11-23	CRISIL AA/Stable	25-03-22	CRISIL AA-/Stable	30-04-21	CRISIL AA-/Stable	CRISIL AA-/Stable
			--	--	08-09-23	CRISIL AA/Stable		--	03-03-21	CRISIL AA-/Stable	--
			--	--	18-08-23	CRISIL AA/Stable		--	08-01-21	CRISIL AA-/Stable	--
			--	--	26-06-23	CRISIL AA/Stable		--		--	--
			--	--	12-06-23	CRISIL AA/Stable		--		--	--
			--	--	24-03-23	CRISIL AA/Stable		--		--	--
			--	--	17-03-23	CRISIL AA/Stable		--		--	--
<b>Subordinated Debt</b>	LT	1600.0	CRISIL AA/Stable	--	24-11-23	CRISIL AA/Stable	25-03-22	CRISIL AA-/Stable	30-04-21	CRISIL AA-/Stable	CRISIL AA-/Stable
			--	--	08-09-23	CRISIL AA/Stable		--	03-03-21	CRISIL AA-/Stable	--
			--	--	18-08-23	CRISIL AA/Stable		--	08-01-21	CRISIL AA-/Stable	--
			--	--	26-06-23	CRISIL AA/Stable		--		--	--
			--	--	12-06-23	CRISIL AA/Stable		--		--	--
			--	--	24-03-23	CRISIL AA/Stable		--		--	--
			--	--	17-03-23	CRISIL AA/Stable		--		--	--

All amounts are in Rs.Cr.

#### Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
<b>Overdraft Facility</b>	<b>5</b>	<b>Bandhan Bank Limited</b>	<b>CRISIL AA/Stable</b>
<b>Proposed Long Term Bank Loan Facility</b>	<b>101.34</b>	<b>Not Applicable</b>	<b>CRISIL AA/Stable</b>
<b>Proposed Long Term Bank Loan Facility</b>	<b>2195</b>	<b>Not Applicable</b>	<b>CRISIL AA/Stable</b>
<b>Term Loan</b>	<b>50</b>	<b>Canara Bank</b>	<b>CRISIL AA/Stable</b>
<b>Term Loan</b>	<b>334.28</b>	<b>State Bank of India</b>	<b>CRISIL AA/Stable</b>
<b>Term Loan</b>	<b>300</b>	<b>Bandhan Bank Limited</b>	<b>CRISIL AA/Stable</b>
<b>Term Loan</b>	<b>131.24</b>	<b>Canara Bank</b>	<b>CRISIL AA/Stable</b>
<b>Term Loan</b>	<b>750</b>	<b>Punjab National Bank</b>	<b>CRISIL AA/Stable</b>
<b>Term Loan</b>	<b>91.66</b>	<b>Equitas Small Finance Bank Limited</b>	<b>CRISIL AA/Stable</b>
<b>Term Loan</b>	<b>300</b>	<b>Indian Bank</b>	<b>CRISIL AA/Stable</b>
<b>Term Loan</b>	<b>500</b>	<b>Canara Bank</b>	<b>CRISIL AA/Stable</b>
<b>Term Loan</b>	<b>300</b>	<b>HDFC Bank Limited</b>	<b>CRISIL AA/Stable</b>
<b>Term Loan</b>	<b>2729.08</b>	<b>Punjab National Bank</b>	<b>CRISIL AA/Stable</b>
<b>Term Loan</b>	<b>112.4</b>	<b>Indian Bank</b>	<b>CRISIL AA/Stable</b>
<b>Term Loan</b>	<b>1600</b>	<b>Small Industries Development Bank of India</b>	<b>CRISIL AA/Stable</b>
<b>Term Loan</b>	<b>150</b>	<b>Ujjivan Small Finance Bank Limited</b>	<b>CRISIL AA/Stable</b>
<b>Term Loan</b>	<b>350</b>	<b>ICICI Bank Limited</b>	<b>CRISIL AA/Stable</b>
<b>Term Loan</b>	<b>1000</b>	<b>Small Industries Development Bank of India</b>	<b>CRISIL AA/Stable</b>

## Criteria Details

<b>Links to related criteria</b>
<a href="#">Rating Criteria for Finance Companies</a>
<a href="#">CRISILs Criteria for rating short term debt</a>
<a href="#">Criteria for Notching up Stand Alone Ratings of Companies based on Parent Support</a>
<a href="#">CRISILs Criteria for Consolidation</a>

Media Relations	Analytical Contacts	Customer Service Helpdesk
<p><b>Aveek Datta</b> Media Relations <b>CRISIL Limited</b> M: +91 99204 93912 B: +91 22 3342 3000 <a href="mailto:AVEEK.DATTA@crisil.com">AVEEK.DATTA@crisil.com</a></p> <p><b>Prakruti Jani</b> Media Relations <b>CRISIL Limited</b> M: +91 98678 68976 B: +91 22 3342 3000 <a href="mailto:PRAKRUTI.JANI@crisil.com">PRAKRUTI.JANI@crisil.com</a></p> <p><b>Rutuja Gaikwad</b> Media Relations <b>CRISIL Limited</b> B: +91 22 3342 3000 <a href="mailto:Rutuja.Gaikwad@ext-crisil.com">Rutuja.Gaikwad@ext-crisil.com</a></p>	<p>Ajit Velonie Senior Director <b>CRISIL Ratings Limited</b> B: +91 22 3342 3000 <a href="mailto:ajit.velonie@crisil.com">ajit.velonie@crisil.com</a></p> <p>Malvika Bhotika Director <b>CRISIL Ratings Limited</b> B: +91 22 3342 3000 <a href="mailto:malvika.bhotika@crisil.com">malvika.bhotika@crisil.com</a></p> <p>AKSHAY DILIP JEEVNANI Senior Rating Analyst <b>CRISIL Ratings Limited</b> B: +91 22 3342 3000 <a href="mailto:AKSHAY.JEEVNANI@crisil.com">AKSHAY.JEEVNANI@crisil.com</a></p>	<p>Timings: 10.00 am to 7.00 pm Toll free Number: 1800 267 1301</p> <p>For a copy of Rationales / Rating Reports: <a href="mailto:CRISILratingdesk@crisil.com">CRISILratingdesk@crisil.com</a></p> <p>For Analytical queries: <a href="mailto:ratingsinvestordesk@crisil.com">ratingsinvestordesk@crisil.com</a></p>



**Note for Media:**

This rating rationale is transmitted to you for the sole purpose of dissemination through your newspaper/magazine/agency. The rating rationale may be used by you in full or in part without changing the meaning or context thereof but with due credit to CRISIL Ratings. However, CRISIL Ratings alone has the sole right of distribution (whether directly or indirectly) of its rationales for consideration or otherwise through any media including websites and portals.

**About CRISIL Ratings Limited (A subsidiary of CRISIL Limited, an S&P Global Company)**

CRISIL Ratings pioneered the concept of credit rating in India in 1987. With a tradition of independence, analytical rigour and innovation, we set the standards in the credit rating business. We rate the entire range of debt instruments, such as bank loans, certificates of deposit, commercial paper, non-convertible/convertible/partially convertible bonds and debentures, perpetual bonds, bank hybrid capital instruments, asset-backed and mortgage-backed securities, partial guarantees and other structured debt instruments. We have rated over 33,000 large and mid-scale corporates and financial institutions. We have also instituted several innovations in India in the rating business, including ratings for municipal bonds, partially guaranteed instruments and infrastructure investment trusts (InvITs).

CRISIL Ratings Limited ('CRISIL Ratings') is a wholly-owned subsidiary of CRISIL Limited ('CRISIL'). CRISIL Ratings Limited is registered in India as a credit rating agency with the Securities and Exchange Board of India ("SEBI").

For more information, visit [www.crisilratings.com](http://www.crisilratings.com)

**About CRISIL Limited**

CRISIL is a leading, agile and innovative global analytics company driven by its mission of making markets function better.

It is India's foremost provider of ratings, data, research, analytics and solutions with a strong track record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights, and efficient solutions to over 100,000 customers through businesses that operate from India, the US, the UK, Argentina, Poland, China, Hong Kong and Singapore.

It is majority owned by S&P Global Inc, a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide.

For more information, visit [www.crisil.com](http://www.crisil.com)

Connect with us: [TWITTER](#) | [LINKEDIN](#) | [YOUTUBE](#) | [FACEBOOK](#)

---

**CRISIL PRIVACY NOTICE**

CRISIL respects your privacy. We may use your contact information, such as your name, address and email id to fulfil your request and service your account and to provide you with additional information from CRISIL. For further information on CRISIL's privacy policy please visit [www.crisil.com](http://www.crisil.com).

**DISCLAIMER**

This disclaimer is part of and applies to each credit rating report and/or credit rating rationale ('report') that is provided by CRISIL Ratings Limited ('CRISIL Ratings'). To avoid doubt, the term 'report' includes the information, ratings and other content forming part of the report. The report is intended for the jurisdiction of India only. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as CRISIL Ratings providing or intending to provide any services in jurisdictions where CRISIL Ratings does not have the necessary licenses and/or registration to carry out its business activities referred to above. Access or use of this report does not create a client relationship between CRISIL Ratings and the user.

We are not aware that any user intends to rely on the report or of the manner in which a user intends to use the report. In preparing our report we have not taken into consideration the objectives or particular needs of any particular user. It is made abundantly clear that the report is not intended to and does not constitute an investment advice. The report is not an offer to sell or an offer to purchase or subscribe for any investment in any securities, instruments, facilities or solicitation of any kind to enter into any deal or transaction with the entity to which the report pertains. The report should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in

the US).

Ratings from CRISIL Ratings are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold or sell any securities/instruments or to make any investment decisions. Any opinions expressed here are in good faith, are subject to change without notice, and are only current as of the stated date of their issue. CRISIL Ratings assumes no obligation to update its opinions following publication in any form or format although CRISIL Ratings may disseminate its opinions and analysis. The rating contained in the report is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment or other business decisions. The recipients of the report should rely on their own judgment and take their own professional advice before acting on the report in any way. CRISIL Ratings or its associates may have other commercial transactions with the entity to which the report pertains.

Neither CRISIL Ratings nor its affiliates, third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively, 'CRISIL Ratings Parties') guarantee the accuracy, completeness or adequacy of the report, and no CRISIL Ratings Party shall have any liability for any errors, omissions or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the report. EACH CRISIL RATINGS PARTY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. In no event shall any CRISIL Ratings Party be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the report even if advised of the possibility of such damages.

CRISIL Ratings may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors. Public ratings and analysis by CRISIL Ratings, as are required to be disclosed under the regulations of the Securities and Exchange Board of India (and other applicable regulations, if any), are made available on its website, [www.crisilratings.com](http://www.crisilratings.com) (free of charge). Reports with more detail and additional information may be available for subscription at a fee - more details about ratings by CRISIL Ratings are available here: [www.crisilratings.com](http://www.crisilratings.com).

CRISIL Ratings and its affiliates do not act as a fiduciary. While CRISIL Ratings has obtained information from sources it believes to be reliable, CRISIL Ratings does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives and/or relies on in its reports. CRISIL Ratings has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process. CRISIL Ratings has in place a ratings code of conduct and policies for managing conflict of interest. For details please refer to: <https://www.crisil.com/en/home/our-businesses/ratings/regulatory-disclosures/highlighted-policies.html>.

Rating criteria by CRISIL Ratings are generally available without charge to the public on the CRISIL Ratings public website, [www.crisilratings.com](http://www.crisilratings.com). For latest rating information on any instrument of any company rated by CRISIL Ratings, you may contact the CRISIL Ratings desk at [crisilratingdesk@crisil.com](mailto:crisilratingdesk@crisil.com), or at (0091) 1800 267 1301.

This report should not be reproduced or redistributed to any other person or in any form without prior written consent from CRISIL Ratings.

All rights reserved @ CRISIL Ratings Limited. CRISIL Ratings is a wholly owned subsidiary of CRISIL Limited.

CRISIL Ratings uses the prefix 'PP-MLD' for the ratings of principal-protected market-linked debentures (PPMLD) with effect from November 1, 2011, to comply with the SEBI circular, "Guidelines for Issue and Listing of Structured Products/Market Linked Debentures". The revision in rating symbols for PPMLDs should not be construed as a change in the rating of the subject instrument. For details on CRISIL Ratings' use of 'PP-MLD' please refer to the notes to Rating scale for Debt Instruments and Structured Finance Instruments at the following link: <https://www.crisil.com/en/home/our-businesses/ratings/credit-ratings-scale.html>

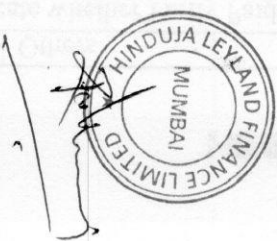
## DNBS4BIRS - Statement of Interest Rate Sensitivity (IRS)

All Monetary Items present in this return shall be reported in ₹ Lakhs Only

Table 3: Statement of Interest Rate Sensitivity (IRS)

Particulars												
	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Non-sensitive	Total
	X010	X020	X030	X040	X050	X060	X070	X080	X090	X100	X110	X120
<b>A. Liabilities (OUTFLOW)</b>												
1. Capital (I+II+III+IV)	Y010	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Reserves & surplus (I+II+III+IV+V+VI+VII+IX+X+XI+XII+XIII+XIV)	Y060	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(X) Revaluation Reserves	Y160	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Bonds & Notes (a+b+c)	Y230	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Deposits	Y270	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Term Deposits/ Fixed Deposits from public	Y280	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. Borrowings (I+II+III+IV+V+VI+VII+VIII+IX+X+XI+XII)	Y310	2,616.07	7,347.67	24,451.69	97,138.84	1,60,418.19	2,42,076.46	4,81,164.59	13,00,153.11	71,504,773.43	57,368.00	28,77,508.11
(i) Bank borrowings	Y320	2,303.57	5,297.67	24,451.69	42,253.76	85,103.51	1,74,689.29	3,90,659.05	10,95,054.11	71,444,525.43	0.00	22,08,338.11
a) Bank Borrowings in the nature of Term money borrowings	Y330	2,303.57	5,297.67	24,451.69	42,253.76	85,103.51	1,74,689.29	3,34,659.05	71,444,525.43	0.00	0.00	41
I. Fixed rate	Y340	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
II. Floating rate	Y350	2,303.57	5,297.67	24,451.69	42,253.76	85,103.51	1,74,689.29	3,34,659.05	71,444,525.43	0.00	0.00	41
b) Bank Borrowings in the nature of WCDL	Y360	0.00	0.00	0.00	0.00	0.00	0.00	56,000.00	0.00	0.00	0.00	56,000.00
I. Fixed rate	Y370	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
II. Floating rate	Y380	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(v) Commercial Papers	Y570	0.00	0.00	0.00	49,389.08	59,088.01	0.00	39,431.21	0.00	0.00	0.00	1,47,908.30
Of which; (a) Subscribed by Mutual Funds	Y580	0.00	0.00	0.00	49,389.08	59,088.01	0.00	39,431.21	0.00	0.00	0.00	1,47,908.30
(vi) Non - Convertible Debentures (NCDs) (A+B)	Y650	0.00	0.00	0.00	0.00	0.00	0.00	18,000.00	0.00	0.00	0.00	18,000.00
A. Fixed rate	Y660	0.00	0.00	0.00	0.00	0.00	0.00	18,000.00	0.00	0.00	0.00	18,000.00
Of which; (a) Subscribed by Mutual Funds	Y670	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(g) Others (Please specify)	Y730	0.00	0.00	0.00	0.00	0.00	0.00	18,000.00	0.00	0.00	0.00	18,000.00
B. Floating rate	Y740	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vii) Convertible Debentures (A+B)	Y820	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A. Fixed rate	Y830	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. Floating rate	Y910	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(viii) Subordinate Debt	Y990	0.00	0.00	0.00	0.00	0.00	45,000.00	10,000.00	32,500.00	5,000.00	54,500.00	1,47,000.00
(ix) Perpetual Debt Instrument	Y1000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(x) Borrowings From Central Government / State Government	Y1010	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(xi) Borrowings From Public Sector Undertakings (PSUs)	Y1020	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(xii) Other Borrowings	Y1030	312.50	2,050.00	0.00	5,496.00	16,226.67	22,387.17	41,074.33	1,54,599.00	55,248.00	2,868.00	3,00,261.67
7. Current Liabilities & Provisions (I+II+III+IV+V+VI+VII+VIII)	Y1040	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10. Unclaimed Deposits (I+II)	Y1150	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A. TOTAL OUTFLOWS (1 to 14)	Y1220	2,616.07	7,347.67	24,451.69	97,138.84	1,60,418.19	2,42,076.46	4,81,164.59	71,504,773.43	57,368.00	0.00	1

A1. Cumulative Outflows	Y1230	2,616.07	9,963.74	34,415.43	1,31,554.27	2,91,972.46	5,34,048.92	1	8	1	1	1	1
B. INFLOWS													
1. Cash	Y1240	3,689.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,689.89
2. Remittance in transit	Y1250	5,235.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,235.12
3. Balances with Banks (i+ii+iii)	Y1260	1,66,621.43	81,000.00	25,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,72,621.43
(i) Current account	Y1270	1,12,621.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,12,621.43
(ii) In deposit accounts, and other placements	Y1280	54,000.00	81,000.00	25,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,60,000.00
(iii) Money at Call & Short Notice	Y1290	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Investments (net of provisions) (i+ii+iii+iv+v+vi+vii) (Under various categories as detailed below)	Y1300												
(i) Fixed Income Securities	Y1310	9,539.00	77.00	9,869.00	2,439.00	46,036.00	8,417.00	11,798.00	30,989.00	1,415.00	1,07,114.00	0.00	2,27,693.00
g) Others (Please Specify)	Y1380	9,539.00	77.00	9,869.00	2,439.00	46,036.00	8,417.00	11,798.00	30,989.00	1,415.00	1,07,114.00	0.00	2,27,693.00
(ii) Floating rate securities	Y1390	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Advances (Performing)	Y1520	40,607.00	5,302.00	59,780.00	1,04,734.00	1,15,566.00	2,62,874.00	4,84,371.00	0	4,33,557.00	3,02,064.47	0.00	7
(ii) Term loans	Y1540	40,607.00	5,302.00	59,780.00	1,04,734.00	1,15,566.00	2,62,874.00	4,84,371.00	0	4,33,557.00	3,02,064.47	0.00	7
(a) Fixed Rate	Y1550	40,607.00	5,302.00	59,780.00	1,04,734.00	1,15,566.00	2,62,874.00	4,84,371.00	0	4,33,557.00	3,02,064.47	0.00	7
(b) Floating Rate	Y1560	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Corporate loans/short term loans	Y1570	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. Non-Performing Loans (i+ii+iii)	Y1600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9. Other Assets (i+ii)	Y1660	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11. Unclaimed Deposits (i+ii)	Y1700	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. TOTAL INFLOWS (B) (Sum of 1 to 14)	Y1760	2,25,692.44	86,379.00	94,649.00	1,07,173.00	1,61,602.00	2,71,291.00	4,96,169.00	0	4,34,972.00	4,09,178.47	0.00	1
C. Mismatch (B - A)	Y1770	2,23,076.37	79,031.33	70,197.31	10,034.16	1,183.81	29,214.54	15,004.41	-2,39,681.17	-69,801.43	3,51,810.47	0.00	4,70,069.80
D. Cumulative mismatch	Y1780	2,23,076.37	3,02,107.70	3,72,305.01	3,82,339.17	3,83,522.98	4,12,731.52	4,27,741.93	1,88,060.76	1,18,259.33	4,70,069.80	4,70,069.80	4,70,069.80
E. Mismatch as % of Total Outflows	Y1790	8527.16%	1075.60%	287.09%	10.33%	0.74%	12.07%	3.12%	-18.43%	-13.83%	613.25%	0.00%	16.34%
F. Cumulative Mismatch as % of Cumulative Total Outflows	Y1800	8527.16%	3032.07%	1081.80%	290.63%	131.36%	77.28%	42.13%	8.12%	4.19%	16.34%	16.34%	16.34%



DCS/COMP/BB/IP-PPDI/027/24-25

May 16, 2024

**Hinduja Leyland Finance Ltd**  
Plot No. C-21, Tower C (1-3 Floor),  
G Block, Bandra Kurla Complex,  
Bandra East, Mumbai 400051

Dear Sir/Madam

**Re: Private Placement of Non-Convertible Debentures including (I) Senior Secured, (II) Unsecured, (III) Subordinated, (IV) Senior Unsecured, (V) Market Linked Debentures, (Vi) Perpetual Debt Instruments, Non-Convertible Securities ("NCDs") and Commercial paper; Under GID No.: 001 Dated May 14, 2024 (The Issue)**

We acknowledge receipt of your application on the online portal on May 14, 2024, seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.
2. Payment of fees as may be prescribed from time to time.
3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.
6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:  
<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31>
7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).



8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. *Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.*

10. *Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPODI/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18> and ensure compliance of the same.*

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the General information Document, which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,  
**For BSE Limited**



**Prasad Bhide**  
Senior Manager



**Akshay Arolkar**  
Deputy Manager



## HINDUJA LEYLAND FINANCE

<b>To,</b> BSE Limited / Investors	<b>Purpose:</b> Issue of NCDs	<b>Mode of submission:</b> Physical / Email
---------------------------------------	----------------------------------	---

### **CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF COMPANY AT ITS MEETING HELD ON MAY 15,2024**

#### **Approval to issue of non-convertible debentures**

**RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), SEBI (Issue and Listing of Non-Convertible Securities) Regulation 2021 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in terms of the Memorandum and Articles of Association of the Company, subject to such other approvals and permissions as may be required and subject to the approval of the members in the ensuing general meeting, the consent of the Board of Directors be and is hereby accorded to create / offer / issue / invite subscriptions for secured / unsecured redeemable non-convertible debentures, in one or more series / tranches, aggregating up to Rs 8,000 Crores (Eight Thousand Crores only) on a private placement basis during a period of one year from the conclusion of ensuing General Meeting, on such terms and conditions as the Board of Directors of the Company may (including any committee constituted by the Board for the time being thereof) from time to time, determine and consider proper and most beneficial to the Company including as to when the said debentures be issued, the consideration for the issue, utilisation of the issue proceeds, redemption of the same and all other matters connected with or incidental thereto.

**RESOLVED FURTHER THAT** Mr. Sachin Pillai, Chief Executive Officer & Managing Director and Mr. Vikas Jain, Chief Financial Officer be and are hereby severally authorised to decide on rate of interest, tenure, structure of the debenture or any other terms and conditions including any modification(s) relating thereto.

**RESOLVED FURTHER THAT** Mr. Sachin Pillai, Chief Executive Officer & Managing Director and Mr. Vikas Jain, Chief Financial Officer be and are hereby severally authorised to appoint Debenture trustees, merchant bankers, legal counsel and such other intermediaries as may be required and to negotiate with the intermediaries and fix such remuneration and finalize the terms of their appointment, as may be deemed fit.

#### **HINDUJA LEYLAND FINANCE LIMITED**

**Corporate Office:** No. 27-A, Developed Industrial Estate, Guindy, Chennai - 600 032. Tel: (044) 2242 7525, 2242 7555

**Registered Office:** Plot No. C-21, Tower C (1-3 floors), G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

Tel: (022) 6136 0407 | Website: [www.hindujaleylandfinance.com](http://www.hindujaleylandfinance.com)

CIN: U65993MH2008PLC384221 | Email: [compliance@hindujaleylandfinance.com](mailto:compliance@hindujaleylandfinance.com)



## **HINDUJA LEYLAND FINANCE**

**RESOLVED FURTHER THAT** Internal Committee consisting of Mr. Sachin Pillai, Chief Executive Officer & Managing Director and Mr. Vikas Jain, Chief Financial Officer be and are hereby authorised to issue / allot securities issued by the Company, both present and future and to do all such other acts, deeds, matters and things as the Committee as may deem fit in this connection.

**//Certified True Copy//**

**For Hinduja Leyland Finance Limited**

RAMASAMY  
SRIVIDHYA

Digitally signed by  
RAMASAMY SRIVIDHYA  
Date: 2024.07.01  
14:49:46 +05'30'

**Srividhya Ramasamy  
Company Secretary  
M. No. - A22261**

### **HINDUJA LEYLAND FINANCE LIMITED**

**Corporate Office:** No. 27-A, Developed Industrial Estate, Guindy, Chennai - 600 032. Tel: (044) 2242 7525, 2242 7555

**Registered Office:** Plot No. C-21, Tower C (1-3 floors), G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

Tel: (022) 6136 0407 | Website: [www.hindujaleylandfinance.com](http://www.hindujaleylandfinance.com)

CIN: U65993MH2008PLC384221 | Email: [compliance@hindujaleylandfinance.com](mailto:compliance@hindujaleylandfinance.com)



## HINDUJA LEYLAND FINANCE

To, BSE Limited / Investors	Purpose: Issue of NCDs	Mode of submission: Physical / Email
--------------------------------	---------------------------	--------------------------------------

### CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF COMPANY AT ITS MEETING HELD ON MAY 15,2024

#### Approval for creation of charge/ mortgage on the assets of the company

**RESOLVED THAT** pursuant to the provisions of Section 179(3) and 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the company and subject to the approval of the shareholders in the ensuing general meeting, the consent of the Board be and is hereby accorded to make necessary recommendations to Shareholders to pass suitable resolution in the ensuing General Meeting, to sell, mortgage and / or create charge, in addition to the mortgages / charges created / to be created by the company in such form and manner and with such ranking and at such time and on such terms and conditions as may be determined, on all or any of the movable and / or immovable properties of the company and / or the interest held by the company in all or any of the movable and / or immovable properties, both present and future and / or the whole or any part of the undertaking(s) of the company, in favour of trustees for securing the borrowings of the company availed / to be availed by way of Non-convertible Debentures, issued / to be issued by the Company, from time to time, together with interest at the respective agreed rates and all other costs, charges and expenses and all other monies payable by the Company in terms of the agreement(s), debentures trust deeds(s) or any other document, entered into / to be entered into between the Company and the trustee(s) in respect of the borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Company and the trustee(s).

**RESOLVED FURTHER THAT** the Board of directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose), be and is hereby authorised to finalise and execute such deeds or mortgage, charge, hypothecation, lien, promissory notes, deposit receipts and all such deeds, documents, instruments or writings as may be necessary, proper, desirable or expedient as they may deem fit and to do all such acts, deeds and things and give such directions, as may be deemed necessary, desirable or expedient, to give effect to this resolution.

**//Certified True Copy//**

**For Hinduja Leyland Finance Limited**

**RAMASAMY** Digitally signed by  
RAMASAMY SRIVIDHYA  
Date: 2024.07.01  
14:50:09 +05'30'

**Srividhya Ramasamy**  
**Company Secretary**  
**M. No. - A22261**

#### HINDUJA LEYLAND FINANCE LIMITED

**Corporate Office:** No. 27-A, Developed Industrial Estate, Guindy, Chennai - 600 032. Tel: (044) 2242 7525, 2242 7555

**Registered Office:** Plot No. C-21, Tower C (1-3 floors), G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

Tel: (022) 6136 0407 | Website: [www.hindujaleylfinance.com](http://www.hindujaleylfinance.com)

CIN: U65993MH2008PLC384221 | Email: [compliance@hindujaleylfinance.com](mailto:compliance@hindujaleylfinance.com)



## HINDUJA LEYLAND FINANCE

To, BSE Limited / Investors	Purpose: Issue of NCDs	Mode of submission: Physical / Email
--------------------------------	---------------------------	---

### **CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE SHAREHOLDERS AT THE EXTRA-ORDINARY GENERAL MEETING HELD ON 25<sup>TH</sup> JUNE, 2024**

#### **Approval for issuance of Non-Convertible Debentures**

**RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or reenactment thereof, for the time being in force), SEBI (Issue and Listing of Non-Convertible Securities) Regulation 2021 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in terms of the Memorandum and Articles of Association of the Company and subject to such other approvals and permissions as may be required, consent of the members of the Company be and is hereby accorded to offer, issue and allot secured / unsecured redeemable non-convertible debentures, in one or more series / tranches, secured and unsecured non-convertible debentures on private placement basis during a period of one year from the date of this Extra-ordinary General Meeting for an amount not exceeding Rs.8,000 Crores (Rupees Eight Thousand Crores only) within the overall borrowing limits of the Company, as approved by the members, on such terms and conditions and at such times at par or at such premium as may be decided by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose), from time to time, to such person or persons, including one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension / provident funds and individuals, as the case may be or such other person / persons as the Board may determine and consider proper and most beneficial to the company including rate of interest, tenure and security cover thereof, the consideration for the issue, utilization of the issue proceeds, redemption of the same and all other matters connected with or incidental thereto.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds and things and give such directions and execute such documents, deeds, instruments and take such steps as may be necessary, proper or expedient to give effect to this resolution.

#### **HINDUJA LEYLAND FINANCE LIMITED**

**Corporate Office:** No. 27-A, Developed Industrial Estate, Guindy, Chennai - 600 032. Tel: (044) 2242 7525, 2242 7555

**Registered Office:** Plot No. C-21, Tower C (1-3 floors), G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

Tel: (022) 6136 0407 | Website: [www.hindujaleylfinance.com](http://www.hindujaleylfinance.com)

CIN: U65993MH2008PLC384221 | Email: [compliance@hindujaleylfinance.com](mailto:compliance@hindujaleylfinance.com)



## HINDUJA LEYLAND FINANCE

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated to give effect to this resolution be and are hereby approved, ratified and confirmed in all respects.

**//Certified True Copy//**

**For Hinduja Leyland Finance Limited**

Digitally signed by  
RAMASAMY SRIVIDHYA  
Date: 2024.07.01  
14:50:20 +05'30'

**Srividhya Ramasamy**

**Company Secretary**

**M. No. - A22261**

### HINDUJA LEYLAND FINANCE LIMITED

**Corporate Office:** No. 27-A, Developed Industrial Estate, Guindy, Chennai - 600 032. Tel: (044) 2242 7525, 2242 7555

**Registered Office:** Plot No. C-21, Tower C (1-3 floors), G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

Tel: (022) 6136 0407 | Website: [www.hindujaleylandfinance.com](http://www.hindujaleylandfinance.com)

CIN: U65993MH2008PLC384221 | Email: [compliance@hindujaleylandfinance.com](mailto:compliance@hindujaleylandfinance.com)



## HINDUJA LEYLAND FINANCE

To, BSE Limited / Investors	Purpose: Issue of NCDs	Mode of submission: Physical / Email
--------------------------------	---------------------------	---

### CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE SHAREHOLDERS AT THE EXTRA-ORDINARY GENERAL MEETING HELD ON 25<sup>TH</sup> JUNE, 2024

#### Approval for the Sale, Mortgage or Creation of Charge on the assets of the Company

**RESOLVED THAT** in supersession of the resolution passed by the shareholders of the Company at its extra-ordinary General held on 31<sup>st</sup> July, 2023, and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and in terms of the Memorandum and Articles of Association of the Company and subject to such other approvals and permissions as may be required, consent of the members be and is hereby accorded to sell, mortgage and / or create charge, in addition to the mortgages / charges created / to be created by the Company in such form and manner and with such ranking and at such time and on such terms and conditions as may be determined, on all or any of the movable and / or immovable properties of the Company and / or the interest held by the Company in all or any of the movable and / or immovable properties, both present and future and / or the whole or any part of the undertaking(s) of the Company, in favour of trustee(s) for securing the borrowings of the Company availed / to be availed by way of Non-convertible Debentures, issued / to be issued by the Company, from time to time, together with interest at the respective agreed rates and all other costs, charges and expenses and all other monies payable by the Company in terms of the agreement(s), debentures trust deeds(s) or any other document, entered into / to be entered into between the Company and the trustee(s) in respect of the borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Company and the trustee(s).

**RESOLVED FURTHER THAT** the Board of directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose), be and is hereby authorised to finalise and execute such deeds or mortgage, charge, hypothecation, lien, promissory notes, deposit receipts and all such deeds, documents, instruments or writings as may be necessary, proper, desirable or expedient as they may deem fit and to do all such acts, deeds and things and give such directions, as may be deemed necessary, desirable or expedient, to give effect to this resolution.

//Certified True Copy//

**For Hinduja Leyland Finance Limited**

RAMASAMY  
SRIVIDHYA

Digitally signed by  
RAMASAMY SRIVIDHYA  
Date: 2024.07.01  
14:50:36 +05'30'

**Srividhya Ramasamy**  
**Company Secretary**  
**M. No. - A22261**

#### HINDUJA LEYLAND FINANCE LIMITED

**Corporate Office:** No. 27-A, Developed Industrial Estate, Guindy, Chennai - 600 032. Tel: (044) 2242 7525, 2242 7555

**Registered Office:** Plot No. C-21, Tower C (1-3 floors), G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

Tel: (022) 6136 0407 | Website: [www.hindujaleylfinance.com](http://www.hindujaleylfinance.com)

CIN: U65993MH2008PLC384221 | Email: [compliance@hindujaleylfinance.com](mailto:compliance@hindujaleylfinance.com)



## HINDUJA LEYLAND FINANCE

<b>To,</b> BSE Limited / Investors	<b>Purpose:</b> Issue of NCDs	<b>Mode of submission:</b> Physical / Email
---------------------------------------	----------------------------------	---

### **CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF COMPANY AT ITS MEETING HELD ON APRIL 24,2024**

#### **Approval for borrowing powers of the company**

**RESOLVED THAT** pursuant to the provisions of Section 179(3) and 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to the approval of the shareholders in the ensuing general meeting, the consent of the Board be and is hereby accorded to make necessary recommendations to Shareholders to pass suitable resolution in the ensuing General Meeting, to borrow from time to time whether in Indian rupees or foreign currency (including foreign currency Term loans, external commercial borrowings, FCNR loans, Covered bonds, Masala bonds in foreign denominated currencies from any foreign source / countries as prescribed by guidelines, if any in this respect) from any one or more of the Company's bankers and /or from any one or more persons, firms, bodies corporate, financial institutions, banks or other acceptable sources whether by way of advances, deposits, loans, bonds or other securities whether convertible into equity / preference shares and / or securities with or without detachable warrants with a right exercisable by the warrant holder(s) to convert or subscribe for equity / preference shares to, bank(s), financial or other institution(s), mutual fund(s), non-resident Indians, foreign institutional investors or any other person(s), body (ies) corporate, etc., whether shareholder of the Company or not, whether unsecured or secured and on such terms and conditions as the Board may deem fit, notwithstanding the total borrowings exceeding the aggregate of paid-up capital, free reserves and securities premium of the Company, the aggregate amounts so borrowed and outstanding at any one time (apart from temporary loans obtained from the company's bankers in the ordinary course of business) shall not exceed an amount as detailed below:

#### **HINDUJA LEYLAND FINANCE LIMITED**

**Corporate Office:** No. 27-A, Developed Industrial Estate, Guindy, Chennai - 600 032. Tel: (044) 2242 7525, 2242 7555

**Registered Office:** Plot No. C-21, Tower C (1-3 floors), G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

Tel: (022) 6136 0407 | Website: [www.hindujaleylandfinance.com](http://www.hindujaleylandfinance.com)

CIN: U65993MH2008PLC384221 | Email: [compliance@hindujaleylandfinance.com](mailto:compliance@hindujaleylandfinance.com)



## HINDUJA LEYLAND FINANCE

Particulars	Proposed (Rs in Crores)
Overall	60,000
Non-Convertible Debentures (NCD)	8,000 <i>(no change in the limit)</i>
Commercial Papers (CP)	Maximum outstanding of Rs 4,000 crores at any point in time (with a total of Rs 12,000 crores to be availed during the year)
Direct Assignments (DA) / Securitisation	Maximum outstanding of Rs 10,000 Crores at any point of time. <i>(no change in the limit)</i>

**//Certified True Copy//**

**For Hinduja Leyland Finance Limited**

Digitally signed by  
RAMASAMY  
SRIVIDHYA  
Date: 2024.07.01  
14:57:50 +05'30'

**Srividhya Ramasamy**

**Company Secretary**

**M. No. - A22261**

### HINDUJA LEYLAND FINANCE LIMITED

**Corporate Office:** No. 27-A, Developed Industrial Estate, Guindy, Chennai - 600 032. Tel: (044) 2242 7525, 2242 7555

**Registered Office:** Plot No. C-21, Tower C (1-3 floors), G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

Tel: (022) 6136 0407 | Website: [www.hindujaleylandfinance.com](http://www.hindujaleylandfinance.com)

CIN: U65993MH2008PLC384221 | Email: [compliance@hindujaleylandfinance.com](mailto:compliance@hindujaleylandfinance.com)



## HINDUJA LEYLAND FINANCE

<b>To,</b> BSE Limited / Investors	<b>Purpose:</b> Issue of NCDs	<b>Mode of submission:</b> Physical / Email
---------------------------------------	----------------------------------	---

### **CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF COMPANY AT ITS MEETING HELD ON APRIL 24,2024**

#### **Delegation of powers to authorized signatories for execution of borrowing related documents of the Company**

**RESOLVED THAT** in supersession to the earlier resolution passed by the Board of Directors on 18th May, 2023, and subject to the approval of the shareholders in a general meeting of the Company pursuant to the provisions of Section 180(1) (a) and 180(1) (c) of the Companies Act of 2013, the consent of the Board of Directors of the Company be and is hereby accorded to the Company to borrow and secure such amounts as may be required from time to time to meet the Company's requirements from banks, financial institutions or any other entity (onshore or offshore) for the purpose of business of the Company up to a ceiling of Rs. 60,000 Crores (Rupees sixty Thousand Crores only) including existing borrowings, over and above the Company's paid up capital, free reserves and securities premium of the Company, without any change in the sub-limit of Rs.8,000 Crore (Rupees Eight Thousand Crore) for borrowings through non-convertible debentures, Rs. 4,000 Crores through issue of commercial papers and DA / Securitization – up to a maximum outstanding of 10,000 Crores at any point of time.

**RESOLVED FURTHER THAT** the following officials of the Company:

Mr. Sachin Pillai – Chief Executive Officer & Managing Director

Mr. Vikas Jain – Chief Financial Officer

Mr. Vamsi Kumar – Chief Operating Officer

Mr. Nithya Prabhu R – Chief Compliance Officer

Ms. Srividhya Ramasamy – Company Secretary and Compliance Officer

Mr. Rajesh Dhuri – Head Treasury

Mr. Nagarajan Ramamoorthy – Head Finance

Mr. Sankalp Mohanty, Chief Manager – Treasury

Are Collectively the “Authorised Signatories” and the mode of operation shall be any two Authorised Signatories jointly have powers to execute borrowing related documents.

**RESOLVED FURTHER THAT** the banking current account(s) or cash credit account or any other relevant accounts be opened to avail the above said loan/borrowing facility be operated by any two (jointly) of the above-mentioned Authorised Signatories.

**RESOLVED FURTHER THAT** the banking current account(s) or cash credit account or any other relevant

#### **HINDUJA LEYLAND FINANCE LIMITED**

**Corporate Office:** No. 27-A, Developed Industrial Estate, Guindy, Chennai - 600 032. Tel: (044) 2242 7525, 2242 7555

**Registered Office:** Plot No. C-21, Tower C (1-3 floors), G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

Tel: (022) 6136 0407 | Website: [www.hindujaleylfinance.com](http://www.hindujaleylfinance.com)

CIN: U65993MH2008PLC384221 | Email: [compliance@hindujaleylfinance.com](mailto:compliance@hindujaleylfinance.com)



## HINDUJA LEYLAND FINANCE

accounts be closed by any two (jointly) of the above-mentioned authorised signatories

**RESOLVED FURTHER THAT** the above officials be and are hereby severally authorised and empowered to:

- 1) execute and sign the loan documents, security documents (including hypothecation, mortgage, pledge, etc.), bank account opening forms, , certificates, deeds, letters, bank account closure forms, internet banking related documents and other such documents required by the lenders/banks;
- 2) do all such acts, matters, deeds and things and to execute all documents, file forms (including Form CHG-1) with, make applications to, or receive approvals from, any persons, authorized dealers, sub-registrars and governmental / regulatory authorities, including but not limited to the Registrar of Companies and the RBI;
- 3) to take all steps and do all things and give such directions, as may be required, necessary, expedient or desirable for giving effect to the transactions contemplated herein this resolution; and
- 4) as may be necessary by the lenders/banks to affix the Common Seal of the Company as per the provisions of Articles of Association of the Company.

**//Certified True Copy//**

**For Hinduja Leyland Finance Limited**

RAMASAM  
Y  
SRIVIDHYA  
Digitally signed by  
RAMASAMY  
SRIVIDHYA  
Date: 2024.07.01  
14:58:14 +05'30'

**Srividhya Ramasamy**  
**Company Secretary**  
**M. No. - A22261**

### HINDUJA LEYLAND FINANCE LIMITED

**Corporate Office:** No. 27-A, Developed Industrial Estate, Guindy, Chennai - 600 032. Tel: (044) 2242 7525, 2242 7555

**Registered Office:** Plot No. C-21, Tower C (1-3 floors), G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

Tel: (022) 6136 0407 | Website: [www.hindujaleylandfinance.com](http://www.hindujaleylandfinance.com)

CIN: U65993MH2008PLC384221 | Email: [compliance@hindujaleylandfinance.com](mailto:compliance@hindujaleylandfinance.com)



## HINDUJA LEYLAND FINANCE

<b>To,</b> BSE Limited / Investors	<b>Purpose:</b> Issue of NCDs	<b>Mode of submission:</b> Physical / Email
--	----------------------------------	--

### CERTIFIED COPY OF THE SPECIAL RESOLUTION PASSED BY THE SHAREHOLDERS AT THE EXTRA-ORDINARY GENERAL MEETING HELD ON 17<sup>TH</sup> MAY, 2024

#### Approval the Borrowing Limits

**RESOLVED THAT** in supersession of the resolution passed by the shareholders of the Company at its extra-ordinary General Meeting held on 31<sup>st</sup> July, 2023, and pursuant to the provisions of Section 180(1) (c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in terms of the Memorandum and Articles of Association of the Company and subject to such other approvals and permissions as may be required, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) to borrow from time to time whether in Indian rupees or foreign currency (including foreign currency term loans, external commercial borrowings in foreign denominated currencies from any foreign source / countries as prescribed by guidelines, if any in this respect) from any one or more of the Company's bankers and / or from any one or more persons, firms, bodies corporate, financial institutions, banks or other acceptable sources whether by way of advances, deposits, loans, bonds or other securities whether convertible into equity / preference shares and / or securities with or without detachable warrants with a right exercisable by the warrant holder(s) to convert or subscribe for equity / preference shares to bank(s), financial or other institution(s), mutual fund(s), non-resident Indians, foreign institutional investors or any other person(s), body(ies) corporate, etc., whether shareholder of the Company or not, whether unsecured or secured and on such terms and conditions as the Board may deem fit, notwithstanding however, that the total borrowings exceed the aggregate of paid-up capital, free reserves and securities premium of the Company, provided however that the aggregate of amounts so borrowed and outstanding at any one time (apart from temporary loans obtained from the company's bankers in the ordinary course of business) shall not exceed an amount as detailed below:

#### HINDUJA LEYLAND FINANCE LIMITED

**Corporate Office:** No. 27-A, Developed Industrial Estate, Guindy, Chennai - 600 032. Tel: (044) 2242 7525, 2242 7555

**Registered Office:** Plot No. C-21, Tower C (1-3 floors), G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

Tel: (022) 6136 0407 | Website: [www.hindujaleylandfinance.com](http://www.hindujaleylandfinance.com)

CIN: U65993MH2008PLC384221 | Email: [compliance@hindujaleylandfinance.com](mailto:compliance@hindujaleylandfinance.com)



## HINDUJA LEYLAND FINANCE

Particulars	Borrowing Limits FY 2024-25 (Rs in Crores)
Overall	60,000
Non-Convertible Debentures (NCD)	8,000 (no change in the limit)
Commercial Papers (CP)	Maximum outstanding of Rs 4,000 crores at any point in time (with a total of Rs 12,000 crores to be availed during the year)
Direct Assignments (DA) / Securitisation	Maximum outstanding of 10,000 Crores at any point of time. (no change in the limit)

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee or any Director(s) or any other Officer(s) of the Company to give effect to the above resolution.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated to give effect to this resolution be and are hereby approved, ratified and confirmed in all respects.

**//Certified True Copy//**

**For Hinduja Leyland Finance Limited**

**RAMASAMY** Digitally signed by  
RAMASAMY SRIVIDHYA  
Date: 2024.07.01  
14:58:26 +05'30'

**SRIVIDHYA**

**Srividhya Ramasamy**

**Company Secretary**

**M. No. - A22261**

### HINDUJA LEYLAND FINANCE LIMITED

**Corporate Office:** No. 27-A, Developed Industrial Estate, Guindy, Chennai - 600 032. Tel: (044) 2242 7525, 2242 7555

**Registered Office:** Plot No. C-21, Tower C (1-3 floors), G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

Tel: (022) 6136 0407 | Website: [www.hindujaleylandfinance.com](http://www.hindujaleylandfinance.com)

CIN: U65993MH2008PLC384221 | Email: [compliance@hindujaleylandfinance.com](mailto:compliance@hindujaleylandfinance.com)

**c) Other long term employee benefits**

The liability for compensated absences as at 31 March 2024 is INR 129 lakh and as at 31 March 2023 was INR 128 lakh.

Assumptions

INR in Lakh

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Discount rate	6.90%	7.00%
Future salary increases	8.00%	8.00%

- (d) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**35 Segment reporting**

The Company is primarily engaged into lending business. The Company has its operations within India and all revenues are generated within India. Also the company is not reliant on revenues from transaction with single external customer. As such, there are no separate reportable segment as per the provisions of Ind AS 108 'Operating Segments'.

**36 Contingent liabilities and commitments**

INR in Lakh

Particulars	As at 31 March 2024	As at 31 March 2023
Claims against the Company not acknowledged as debts: Value added taxes	139	139
Claims against the Company not acknowledged as debts: Direct taxes	819	819
Bank guarantee against securitisation transactions	205	205

The Company also receives claims, including those on collection and repossession related matters, which arise in the ordinary course of the business. However, the management does not believe that such matters would have a material effect on the financial statements.

There are no significant capital commitments as at the year end.

INR in Lakh

Name of Statute	Nature of Dues	Period to which amount relates	Forum where the dispute is pending	As at 31 March 2024	As at 31 March 2023
Income Tax	Income Tax	2017-18	CIT Appeal	819	819
*Odisha VAT Act, 2004	Value Added Tax	2012-13	High court of judicature at Orissa	-	-
Andhra Pradesh VAT Act, 2005	Value Added Tax	2011-12	High court of judicature at Hyderabad	18	18
Karnataka VAT Act, 2003	Value Added Tax	2012-13 to 2016-17	High court of judicature at Bangalore	121	121

\*Represents amount less than rounding off norms.

### 37 Related party disclosures

#### Name of the related parties and nature of relationship

<b>Holding company / Ultimate Holding Company</b>	Ashok Leyland Limited ("ALL") – Holding Company of Hinduja Leyland Finance Limited
	Hinduja Automotive Limited ("HAL") – Holding Company of ALL
	Machen Holdings S.A ("Machen") – Holding Company of HAL
	Machen Development Corporation ("MDC") – Holding Company of Machen
	Amas Holdings S.A. – Holding Company of MDC
<b>Subsidiary company</b>	Hinduja Housing Finance Limited ("HHF")
	Gaadi Mandi Digital Platforms Limited
<b>Associate company</b>	HLF Services Limited ("HSL")
<b>Fellow subsidiary</b>	Hinduja Energy (India) Limited
	Gulf Ashley Motors Limited
	Ashley Aviation Limited
	Switch Mobility Automotive Limited
<b>Joint venture</b>	Gro Digital Platforms Limited ("GDPL")
<b>Key management personnel (KMP)</b>	Mr. Dheeraj G Hinduja, Chairman
	Mr. S. Nagarajan, Executive Vice Chairman ( Retired on 31 March 2023)
	Mr. Sachin Pillai, Managing Director & CEO
	Mr. Gopal Mahadevan, Director
	Mr. Sudhanshu Tripathi, Director
	Mr. G S Sundararajan, Independent Director
	Mr. R S Sharma, Independent Director
	Ms. Manju Agarwal, Independent Director
	Mr. D Sarkar, Independent Director
	Mr. Jean Brunol, Independent Director
	Dr. Mandeep Maitra , Independent Director
	Mr. Vikas Jain ,Chief Financial Officer
	Mr. B Shanmugasundaram, Company Secretary (Resigned on 3 October 2023)
	Mrs. Srividhya Ramasamy, Company Secretary ( With effect from 22 November 2023)

## Related party transactions

INR in Lakh

Nature of transaction	Holding company (ALL)	Associate	Subsidiaries	Fellow Subsidiaries	Joint Venture	KMP
Investment in equity shares - Hinduja Housing Finance Limited	-	-	4,021 (16,107)	-	-	-
Investment in equity shares - Hinduja Insurance Broking and Advisory Services Limited & Gro Digital Platforms Limited	-	-	-	-	1,500	-
Investment in equity shares - Gaadi Mandi Digital Platforms Limited	-	-	- (15)	-	-	-
Inter-corporate deposits (Hinduja Energy (India) Limited & Gro Digital Platforms Limited)	-	-	-	-	4,600 (1400)	-
Repayment of Inter-corporate deposits (Hinduja Energy (India) Limited & Gro Digital Platforms Limited)	-	-	-	-	4,600 (1,400)	-
Reimbursement of expenses (from Ashok Leyland Limited, Hinduja Housing Finance Limited & Gro Digital Platforms Limited)	- (48)	-	391 (421)	-	- (8)	-
Interest income						
- Hinduja Energy (India) Limited & Gro Digital Platforms Limited	-	-	-	-	63 (34)	-
Purchase of services:						
a. Service provider fee	-	11,801 (12,191)	-	-	-	-
b. Sourcing / marketing expenses	-	-	-	-	99	-
Income from other services	-	-	-	-	(18)	-
c. Purchase of Assets	-	-	-	8,761	-	-
Income from other services	112 (48)	100 (84)	150 (125)	411 -	50 (7)	-
Salaries and allowances						
- Mr. S. Nagarajan	-	-	-	-	-	422 (466)
- Mr. Sachin Pillai	-	-	-	-	-	437 (399)
- Mr. Vikas Jain	-	-	-	-	-	167 (55)
- Mr. B Shanmugasundaram	-	-	-	-	-	35 (58)
- Mrs. Srividhya Ramasamy	-	-	-	-	-	25

**c) Other long term employee benefits**

The liability for compensated absences as at 31 March 2023 is INR 128 lakh and as at 31 March 2022 was INR 189 lakh.

- d)** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft

rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**36 Segment reporting**

The Company is primarily engaged into lending business. The Company has its operations within India and all revenues are generated within India. As such, there are no separate reportable segment as per the provisions of Ind AS 108 'Operating Segments'.

**37 Contingent liabilities and commitments**

INR in Lakh

Particulars	As at 31 March 2023	As at 31 March 2022
Claims against the Company not acknowledged as debts: Value added taxes	139	139
Claims against the Company not acknowledged as debts: Direct taxes	819	991
Bank guarantee	205	200

The Company also receives claims, including those on collection and repossession related matters, which arise in the ordinary course of the business. However, the management does not believe that such matters would have a material effect on the financial statements.

There are no significant capital commitments as at the year end.

INR in Lakh

Name of Statute	Nature of Dues	Period to which amount relates	Forum where the dispute is pending	As at 31 March 2023	As at 31 March 2022
Income Tax	Income Tax	2017-18	CIT Appeal	819	991
Odisha VAT Act, 2004	Value Added Tax	2012-13	High court of judicature at Orissa	-	-
Pradesh VAT Act, 2005	Value Added Tax	2011-12	High court of judicature at Hyderabad	18	18
Karnataka VAT Act, 2003	Value Added Tax	2012-13 to 2016-17	High court of judicature at Bangalore	121	121

### 38 Related party disclosures

#### Name of the related parties and nature of relationship

Holding company / Ultimate Holding Company	Ashok Leyland Limited ("ALL") – Holding Company of Hinduja Leyland Finance Limited
	Hinduja Automotive Limited ("HAL") – Holding Company of ALL
	Machen Holdings S.A ("Machen") – Holding Company of HAL
	Machen Development Corporation ("MDC") – Holding Company of Machen
	Amas Holdings S.A. – Holding Company of MDC
Subsidiary company	Hinduja Housing Finance Limited ("HHF")
	Hinduja Insurance Broking and Advisory Services Limited ("HIBAL") (Voluntary Winding up)
	Gaadi Mandi Digital Platforms Limited
Associate company	HLF Services Limited ("HSL")
Fellow subsidiary	Hinduja Energy (India) Limited
	Gulf Ashley Motors Limited
	Ashley Aviation Limited
Joint venture	Gro Digital Platforms Limited ("GDPL")
Key management personnel (KMP)	Mr. Dheeraj G Hinduja, Chairman
	Mr. S. Nagarajan, Executive Vice Chairman (Retired on 31 March 2023)
	Mr. Sachin Pillai, Managing Director & CEO
	Mr. Gopal Mahadevan, Director
	Mr. Sudhanshu Tripathi, Director
	Mr. G S Sundararajan, Independent Director
	Mr. R S Sharma, Independent Director
	Ms. Manju Agarwal, Independent Director
	Mr. D Sarkar, Independent Director
	Mr. Jean Brunol, Independent Director (With effect from 22 <sup>nd</sup> March, 2022)
	Mr. Mandeep Maitra, Independent Director
	Ms. Bhumika Batra, Independent Director (Resigned on 27 <sup>th</sup> February 2023)
	Mr. Kishore Kumar Lodha, Chief Financial Officer (Resigned on 9 <sup>th</sup> September 2022)
	Mr. Vikash Jain, Chief Financial Officer (With effect from 9 <sup>th</sup> September, 2022)
	Mr. B Shanmugasundaram, Company Secretary

## Related party transactions

INR in Lakh

Nature of transaction	Holding company	Associate	Subsidiary	Fellow subsidiary	Joint Venture	KMP
Investment in equity shares - Hinduja Housing Finance Limited	-	-	16,107 (7654)	-	-	-
Liquidation in equity shares - Hinduja Insurance Broking and Advisory Services Limited	-	-	99	-	-	-
Investment in equity shares - Hinduja Insurance Broking and Advisory Services Limited & Gro Digital Platforms Limited	-	-	- (100)	-	(1000)	-
Investment in equity shares - Gaadi Mandi Digital Platforms Limited	-	-	15	-	-	-
Inter-corporate deposits (Hinduja Energy (India) Limited & Gro Digital Platforms Limited)	-	-	-	-	1400 (50)	-
Repayment of Inter-corporate deposits (Hinduja Energy (India) Limited & Gro Digital Platforms Limited)	-	-	-	-	1400 (50)	-
Reimbursement of expenses (from Ashok Leyland Limited, Hinduja Housing Finance Limited & Gro Digital Platforms Limited)	48 (52)	-	421 (370)	-	8 (114)	-
Rental payments to Ashok Leyland Limited	- (1)	-	-	-	-	-
Interest income						
- Hinduja Energy (India) Limited & Gro Digital Platforms Limited	-	-	-	-	34	-
- Gulf Ashley Motors Limited	-	-	-	-	-	-
Purchase of services:	-	-	-	-	-	-
a. Service provider fee	-	12,191 (12,255)	-	-	-	-
b. Sourcing / marketing expenses	-	-	-	-	18	-
Income from other services	48 (80)	84	125	-	7	-
Salaries and allowances	-	-	-	-	-	-
- Mr. S. Nagarajan	-	-	-	-	-	466 (431)
- Mr. Sachin Pillai	-	-	-	-	-	399 (369)
- Mr. Kishore Kumar Lodha	-	-	-	-	-	103 (140)
- Mr. Vikas Jain	-	-	-	-	-	55
- Mr. B Shanmugasundaram	-	-	-	-	-	58 (53)

INR in Lakh

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Expected benefits for year 1	155.45	116.44
Expected benefits for year 2	141.20	118.73
Expected benefits for year 3	162.08	147.16
Expected benefits for year 4	164.72	172.02
Expected benefits for year 5	166.71	180.50
Expected benefits for year 6	173.08	167.22
Expected benefits for year 7	151.84	155.55
Expected benefits for year 8	139.73	137.81
Expected benefits for year 9	123.02	124.38
Expected benefits for year 10 and above	105.62	106.05

The weighted average duration of the payment of these cash flows is 4 years (FY 2020-21 - 4 years)

**c) Other long term employee benefits**

The liability for compensated absences as at 31<sup>st</sup> March, 2022 is INR 189 lakh and as at 31<sup>st</sup> March, 2021 was INR 224 lakh.

- d)** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft

rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

## 36 Segment reporting

The Company is primarily engaged into business of providing loans for vehicle finance. The Company has its operations within India and all revenues are generated within India. As such, there are no separate reportable segment as per the provisions of Ind AS 108 'Operating Segments'.

## 37 Contingent liabilities and commitments

INR in Lakh

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Claims against the Company not acknowledged as debts: Value added taxes [bank guarantee provided against the claim INR 5 lakh (31 <sup>st</sup> March, 2021 : INR 5 lakh)]	139	180
Claims against the Company not acknowledged as debts: Direct taxes	991	-
Bank guarantee (31 <sup>st</sup> March, 2021: Bank guarantee issued against securitisation transactions: INR 3,124 Lakh)	200	3,124

The Company also receives claims, including those on collection and repossession related matters, which arise in the ordinary course of the business. However, the management does not believe that such matters would have a material effect on the financial statements.

There are no significant capital commitments as at the year end.

### 38 Related party disclosures

#### Name of the related parties and nature of relationship

<b>Holding company / Ultimate Holding Company</b>	Ashok Leyland Limited ("ALL") – Holding Company of Hinduja Leyland Finance Limited
	Hinduja Automotive Limited ("HAL") – Holding Company of ALL
	Machen Holdings S.A ("Machen") – Holding Company of HAL
	Machen Development Corporation ("MDC") – Holding Company of Machen
	Amas Holdings S.A. – Holding Company of MDC
<b>Subsidiary company</b>	Hinduja Housing Finance Limited ("HHF")
	Hinduja Insurance Broking and Advisory Services Limited ("HIBAL")
<b>Associate company</b>	HLF Services Limited ("HSL")
<b>Fellow subsidiary</b>	Hinduja Energy (India) Limited
	Gulf Ashley Motors Limited
	Ashley Aviation Limited
<b>Joint venture</b>	Gro Digital Platforms Limited ("GDPL")
<b>Key management personnel (KMP)</b>	Mr. Dheeraj G Hinduja, Chairman
	Mr. S. Nagarajan, Executive Vice Chairman
	Mr. Sachin Pillai, Managing Director & CEO
	Mr. Gopal Mahadevan, Director
	Mr. Sudhanshu Tripathi, Director
	Mr. G S Sundararajan, Independent Director
	Mr. R S Sharma, Independent Director
	Ms. Manju Agarwal, Independent Director
	Mr. D Sarkar, Independent Director
	Mr. Jean Brunol, Independent Director (With effect from 22 <sup>nd</sup> March, 2022)
	Prof. Dr. Andreas H Biagosch, Independent Director (Retired on 9 <sup>th</sup> Nov, 2021)
	Ms. Bhumika Batra, Independent Director
	Mr. Kishore Kumar Lodha, Chief Financial Officer
	Mr. B Shanmugasundaram, Company Secretary

## Related party transactions

INR in Lakh

Nature of transaction	Holding company (ALL)	Associate (HSL)	Subsidiary (HHF)	Fellow subsidiary	Joint Venture	KMP
Investment in equity shares	-	-	7,654	-	-	-
- Hinduja Housing Finance Limited	-	-	(2,500)	-	-	-
Investment in equity shares - Hinduja Insurance Broking and Advisory Services Limited & Gro Digital Platforms Limited	-	-	100	-	1,000	-
	-	-	-	-	-	-
Inter-corporate deposits (Hinduja Energy (India) Limited & Gro Digital Platforms Limited)	-	-	-	-	50	-
	-	-	-	(30,000)	-	-
Repayment of Inter-corporate deposits (Hinduja Energy (India) Limited & Gro Digital Platforms Limited)	-	-	-	-	50	-
	-	-	-	(30,000)	-	-
Advance given (Gulf Ashley Motors Limited)	-	-	-	-	-	-
	-	-	-	(600)	-	-
Advance repayment (Gulf Ashley Motors Limited)	-	-	-	-	-	-
	-	-	-	(600)	-	-
Reimbursement of expenses (from Ashok Leyland Limited, Hinduja Housing Finance Limited & Gro Digital Platforms Limited)	52	-	370	-	114	-
	(60)	-	(125)	-	-	-
Reimbursement of expenses (to Ashley Aviation Limited)	-	-	-	-	-	-
	-	-	-	(21)	-	-
Rental payments to Ashok Leyland Limited	1	-	-	-	-	-
	-	-	-	-	-	-
Interest income	-	-	-	-	-	-
- Hinduja Energy (India) Limited & Gro Digital Platforms Limited	-	-	-	-	0	-
	-	-	-	(768)	-	-
- Gulf Ashley Motors Limited	-	-	-	-	-	-
	-	-	-	(0)	-	-
Purchase of services:	-	-	-	-	-	-
a. Service provider fee	-	12,255	-	-	-	-
	-	(10,612)	-	-	-	-
b. Sourcing / marketing expenses	-	-	-	-	-	-
	-	-	-	-	-	-
Income from other services	80	-	-	-	-	-
	(124)	-	-	-	-	-