INFORMATION MEMORANDUM

Information Memorandum as per Schedule I of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Debt Securities)(Amendment) Regulations, 2012 as per Form PAS 4 (Pursuant to Section 42 of Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014

HINDUJA LEYLAND FINANCE

HINDUJA LEYLAND FINANCE LIMITED

(A Company incorporated under the Companies Act, 1956 and registered as non-banking financial company with the Reserve Bank of India)
Corporate Identification Number: U65993TN2008PLC069837
Registered Office: No.1 Sardar Patel Road, Guindy, Chennai - 600032
Corporate Office: 27-A, Developed Plot (South Phase), Industrial Estate, Guindy, Chennai - 600032
Tel: 91 (044) 39252525;**Fax:**91 (044) 22304314;
Website: http://www.hindujaleylandfinance.com;
Company Secretary and Compliance Officer: B Shanmugasundaram
E-mail: compliance@hindujaleylandfinance.com

ISSUE OF UPTO 500 RATED, LISTED, UNSECURED, SUBORDINATED , REDEEMABLE, TAXABLE, TRANSFERABLE NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 10,00,000 (INDIAN RUPEES TEN LAKHS EACH AND THE AGGREGATE FACE VALUE OF INR 50,00,00,000 (INDIAN RUPEES FIFTY CRORES) FOR VALUE AT PAR, IN DEMATERIALISED FORM ON A PRIVATE PLACEMENT BASIS ("THE ISSUE")

Credit Rating: CARE AA- [pronounced "AA minus"]

General Risk: For taking an investment decision, the investors must rely on their own examination of the Issuer and the Offer including the risks involved. This Offer/Issue is being made on a private placement basis. The Debentures have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document.

Credit Rating: The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc. and should be evaluated independently of any other rating.

Issuer's Absolute Responsibility: The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Information Memorandum contains all information as required under Schedule I of SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Issue and Listing of Debt Securities)(Amendment) Regulations, 2012 and Form PAS 4 (Pursuant to Section 42 of Companies Act, 2013 and Rule 14 of the Companies (Prospectus and 29ment of Securities) Rules, 2014) and that the information contained in this Information Memorandum is true and fair 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 makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

Listing: The Debentures are proposed to be listed on the wholesale debt market segment of BSE Limited (BSE). BSE shall be the designated stock exchange.

This Information Memorandum is dated 12 June 2021

Note: This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus. This is only an information brochure intended for private use and should not be construed to be a prospectus and/or an invitation to the public for subscription to debentures under any law for time being in force.

IDBI trustee

IDBI Trusteeship Services Ltd
Asian Building, Ground Floor,17
R. Kamani Marg, Ballard Estate,
Mumbai-4000 001
Email: itsl@idbitrustee.com

REGISTRAR & TRANSFER AGENT

Integrated Registry Management Services Private Limited
2nd Floor, Kences Towers, No. 1,
Ramakrishna Street, North Usman Road, T.
Nagar, Chennai 600 017
Tel : 91 44 2814 0801 Fax : 91 44 2814

For HINDUJA LEYLAND FINANCE LTD.

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DISCLAIMER CLAUSE

GENERAL DISCLAIMER

This document is neither a "Prospectus" nor a "Statement in Lieu of a Prospectus" but an "Information Memorandum" prepared in accordance with Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008, as amended from time to time, issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 6, 2008 and Form PAS 4 (Pursuant to Section 42 of Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014). This document does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by Hinduja Leyland Finance Limited. The document is for the exclusive use to whom it is delivered and it should not be circulated or distributed to third party/(ies).

The Issuer certifies that the disclosures made in this document are generally adequate and are in conformity with the captioned SEBI Regulations. This requirement is to facilitate investors to take an informed decision for making investment in the proposed Issue. Apart from this Information Memorandum, no offer document or prospectus has been prepared in connection with this Issue and no prospectus in relation to the Issuer or the Debentures relating to this offer has been delivered for registration nor is such a document required to be registered under the applicable laws.

This Information Memorandum is issued by the Company and has been prepared by the Company to provide general information on the Company to potential investors to whom it is addressed and who are eligible and willing to subscribe to the Debentures and does not purport to contain all the information a potential investor may require. Where this Information Memorandum summarizes the provisions of any other document, that summary should not be solely relied upon and the relevant document should be referred to for the full effect of the provisions. Neither this Information Memorandum, nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation. Any recipient of this Information Memorandum should not consider such receipt a recommendation to purchase the Debentures. Each potential investor contemplating the purchase of any 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 legal, regulatory, tax, financial, accounting, and/or other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such potential investor's particular circumstances.

This Information Memorandum shall not be considered as a recommendation to purchase the Debentures and recipients are urged to determine, investigate and evaluate for themselves, the authenticity, origin, validity, accuracy, completeness, adequacy or otherwise the relevance of information contained in this Information Memorandum. The recipients are required to make their own independent valuation and judgment of the Company and the Debentures. It is the responsibility of potential investors to ensure that if they sell/ transfer these Debentures, they shall do so in strict accordance with this Information Memorandum and other applicable laws, so that the sale does not constitute an offer to the public, within the meaning of the Act. The potential investors should also consult their own tax advisors on the tax implications relating to acquisition, ownership, sale or redemption of the Debentures and in respect of income arising thereon. Investors are also required to make their own assessment regarding their eligibility for making investment(s) in the Debentures. The Company or any of its directors, employees, advisors, affiliates, subsidiaries or representatives do not accept any responsibility and/ or liability for any loss or damage however arising and of whatever nature and extent in connection with the said information.

RBI DISCLAIMER

The Company is having a valid certificate of Registration dated 22nd March, 2010 issued by the Reserve Bank of India under Section 45 IA of the Reserve Bank of India Act 1934. However, the Reserve Bank of India ("RBI") does not accept any responsibility or guarantee about the present position as to the financial soundness of the Issuer or for the correctness of any of the statements or representations made or opinions expressed by the Issuer and for discharge of liability by the Issuer.

DISCLAIMER CLAUSE OF THE DESIGNATED STOCK EXCHANGE(S)

As required, a copy of this Information Memorandum has been filed with the BSE in terms of the SEBI Regulations. It is to be distinctly understood that submission of this Information Memorandum to the BSE should not in any way be deemed or construed to mean that this Information Memorandum 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 Information Memorandum, nor does the BSE warrant that the Issuer's Debentures will be listed

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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.

As per the provisions of the SEBI Regulations, a copy of this Information Memorandum has not been filed with or submitted to the SEBI. It is to be distinctly understood that this Information Memorandum should not in any way be deemed or construed to have been approved or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project(s) for which the Debentures issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Information Memorandum.

DISCLAIMER OF THE SECURITIES & EXCHANGE BOARD OF INDIA

This Information Memorandum has not been filed with SEBI. The Securities have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Information Memorandum. It is to be distinctly understood that this Information Memorandum should not, in any way, be deemed or construed that the same has been cleared or vetted 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 this Information Memorandum. The issue of Debentures being made on private placement basis, filing of this Information Memorandum is not required with SEBI, however SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this Information Memorandum.

DISCLAIMER OF THE DEBENTURE TRUSTEE

The Issuer confirms that all necessary disclosures have been made in this Information Memorandum including but not limited to statutory and other regulatory disclosures. Investors should carefully read and note the contents of the Information Memorandum. Each prospective investor should make its own independent assessment of the merit of the investment in the Debentures and the Issuer. Prospective investor should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and suitability of such investment to such investor's particular circumstance. Prospective investors are required to make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in such instruments. The Debenture Trustee, "ipso facto" does not have the obligations of a borrower or a Principal Debtor or a Guarantor as to the monies paid/invested by investors for the debentures.

DISCLAIMER OF THE DEBENTURE ARRANGER

It is advised that the Issuer has exercised self due diligence to ensure complete compliance of prescribed disclosure norms etc. in this Offer Letter. The role of the Arranger in the assignment is confined to marketing and placement of the Debentures on the basis of this Offer Letter as prepared by the Issuer. The Arranger has neither scrutinized/vetted nor have they done any due-diligence for verification of the contents of this Offer Letter. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Arranger or any of their officers as to the adequacy, completeness or reasonableness of the information contained herein or of any further information, statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto.

The Arranger shall use this Offer Letter for the purpose of soliciting subscription from eligible investors for the Debentures to be issued by the Issuer on a private placement basis. It is to be distinctly understood that the aforesaid use of this Offer Letter by the Arranger should not in any way be deemed or construed that the Offer Letter has been prepared, cleared, approved or vetted by the Arranger; nor do they in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Offer Letter; nor do they take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the Bank. The Arranger or any of their directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in this Offer Letter.

Please note that:

- The Arranger and/or their Affiliates may, now and/or in the future, have other investment and commercial banking, trust and other relationships with the Issuer and with other persons ("Other Persons");
- As a result of those other relationships, the Arranger and/or their Affiliates may get information about Other Persons, the Issuer and/or the Issue or that may be relevant to any of them. Despite this, the Arranger and/or their Affiliates will not be required to disclose such information, or the fact that it is in possession of such information, to any recipient of this Offer Letter;

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- The Arranger and/or their Affiliates may, now and in the future, have fiduciary or other relationships under which it, or they, may exercise voting power over securities of various persons. Those securities may, from time to time, include Debentures of the Issuer; and
- Each of the Arranger and/or their Affiliates may exercise such voting powers, and otherwise perform its functions in connection with such fiduciary or other relationships, without regard to its relationship to the Issuer and/or the Debentures.

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MANAGEMENT'S PERCEPTION OF RISK FACTORS

The Company believes that the following factors may affect its ability to fulfil its obligations in respect of the Debentures. All of these factors are contingencies which may or may not occur and the Company is not in a position to express a view on the likelihood of any such contingency occurring. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures, but the inability of the Company, as the case may be, to pay principal or other amounts on or in connection with any Debentures may occur for other reasons and the Company does not represent that the statements below regarding the risks of holding any Debentures are exhaustive. Potential investors should perform their own independent investigation of the financial condition and affairs of the Company, and their own appraisal of the creditworthiness of the Company. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations with respect to the Debentures. Potential investors should thereafter reach their own views prior to making any investment decision.

CREDIT RISK

Potential investors should be aware that receipt of the Redemption Payment 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.

THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID

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

RATING AGENCIES MAY DOWNGRADE THE CREDIT RATING ASSIGNED TO THE ISSUE OR THE DEBENTURES

The Rating Agencies have assigned the credit ratings to the Debentures. In the event of deterioration in the financial health of the Issuer, there is a possibility that the Rating Agencies may downgrade the rating of the Debentures or rating of the Company. 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.

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.

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.

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.

LEGALITY OF PURCHASE

Potential investors of the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that potential investor with any law, regulation or regulatory policy applicable to it.

POLITICAL AND ECONOMIC RISK IN INDIA

The Issuer operates only within India and, accordingly, all of its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a further slowdown in economic growth, investment and consumption. A slowdown in the

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rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Issuer has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition.

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, 2021, the summary of Assets under Management is as under:

Asset Classification	Loans & advances Outstanding (INR in Crores)	%
Standard Assets –AUM	26,192	96.0
Gross Non-Performing Assets	1,102	4.0
Total	**27,294**	**100.0**

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 22nd 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.

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DEFINITIONS

Term	Meaning / Definition
"we", "us", "Issuer", "the Company", "our Company", or "Issuer Company"	Unless the context otherwise indicates or implies, refers to Hinduja Leyland Finance Limited
Act or 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
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
Applicants	means the persons who have submitted a completed Application Form to the Company
Application Form	means the form in terms of which, the potential investors shall apply for the Debentures of the Issuer attached in Annexure 1
Application Money	means the subscription amounts paid by the Applicants at the time of submitting the Application Form
Assets	means, for any date of determination, the assets of the Company on such date as the same would be determined in accordance with the Applicable Accounting Standards.
Beneficial Owner(s)	The holder(s) of the Debentures in dematerialised form whose name is recorded as such with the Depository in the Register of Beneficial
BSE	BSE Limited
Business Day	means any day on which banks are open for general business, other than a public holiday under Section 25 of the Negotiable Instruments Act, 1881 at Mumbai, India or a Sunday
CDSL	Central Depository Services (India) Limited.
Constitutional Documents	means the memorandum of association and the articles of association, the certificate of registration from the RBI and the certificate of incorporation, of the Company
Control	Has the meaning given to it in the Act
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest
Debenture Holder(s)	means each person who is: (a) registered as a Beneficial Owner; and (b) registered as a debenture holder in the Register of Debenture Holders, and (a) and (b) above shall be deemed to include transferees of the Debentures registered with the Company and the Depository from time to time, and in the event of any inconsistency between (a) and (b) above, (a) shall prevail.
Debenture Trust Deed	means the debenture trust deed to be entered into between the Issuer and the Debenture Trustee for the Issue
Debenture Trustee	IDBI Trusteeship Services Limited
Debenture Trustee Agreement	means the debenture trustee agreement to be entered into between the Issuer and the Trustee. Debenture Trustee for the latter's appointment as the debenture trustee for the Issue
Debenture Trustees Regulations	Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993
Debentures or NCDs or Debt Securities	500 rated, listed, unsecured, subordinated, redeemable, taxable, transferable non-convertible debentures having a face value of INR 10,00,000 (Indian Rupees Ten Lakhs each) and the aggregate face value of INR 50 Crores (Indian Rupees Fifty Crores for value at Par, in dematerialized form on a private placement basis
Deemed Date of Allotment	19th July 2021
Depositories	NSDL and/or CDSL

Term	Meaning / Definition / Explanation
Due Date	means the due date in respect of any payment of interest, principal or any other amounts payable under the Debenture Trust Deed
DRR	Debenture Redemption Reserve
EBP Guidelines	means the guidelines issued by SEBI with respect to electronic book mechanism pursuant to the SEBI circular dated January 5, 2018 (bearing reference number SEBI/HO/DDHS/CIR/P/2018/05) on "*Electronic book mechanism for issuance of securities on private placement basis*" read with the SEBI Circular dated August 16, 2018 (bearing reference number SEBI/HO/DDHS/CIR/P/2018/122) on "*Electronic book mechanism for issuance of securities on private placement basis - Clarifications*" and the operational guidelines issued by the relevant Electronic Book Provider, as may be restated, amended, modified or updated from time to time
Electronic Book Provider / EBP	Has the meaning given to it under the EBP Guidelines.
EBP Platform	has the meaning given to it under the EBP Guidelines.
Information Memorandum	means this Information Memorandum pursuant to which the Debentures are being offered for private placement.
Event of Default	means the events set out in Section 7.7.
Final Settlement Date	means the date on which all Secured Obligations have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Debenture Holders
Financial Indebtedness	means any indebtedness for or in respect of: (a) any amounts borrowed; (b) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent; (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, facility, loan stock or any similar instrument; (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Indian GAAP, be treated as a finance or capital lease; (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; (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); (h) shares which are expressed to be redeemable or shares which are the subject of a put option or any form of guarantee; (i) any obligation under any put option in respect of any securities; (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; (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 (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)

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Term	Meaning / Definition
Government 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
Hinduja Group	means the promoters of the Issuer and the companies defined as promoters of the Issuer from time to time, whether individually or together, exercise management control
HLF	Hinduja Leyland Finance Limited
Hypothecated Assets	has the meaning given to it in Section 6(b)
Indian GAAP	means the generally accepted accounting principles, standards and practices in India or any other prevailing accounting standard in India as may be applicable
INR	Indian Rupees
Interest Rate	9.70% payable on an annual basis
Listing Period	means 4 trading days from the issue closure date
Location of Dispute Resolution	Mumbai
LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Majority Debenture Holders	means such number of Debenture Holders collectively holding more than 50% (fifty percent) of the value of the Outstanding Principal Amounts of the Debentures
Majority Resolution	means a resolution approved by such number of Debenture Holders that represent more than 50% (fifty percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting or if a poll is demanded, by such number of Debenture Holders that represent more than 50% (fifty percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting in such poll
Material Adverse Effect	means the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could reasonably be expected to cause a material and adverse effect on: (a) the financial condition, business or operation of the Company, environmental, social or otherwise or prospects of the Company; (b) the ability of the Company to perform its obligations under the Transaction Documents; or (c) the validity or enforceability of any of the Transaction Documents (including the ability of any party (other than the Company) to enforce any of its remedies thereunder).
Moratorium Directions (COVID-19)	means, collectively, the RBI's circular no. DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020 on "*COVID-19 – Regulatory Package*", the RBI circular no. DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 on "*COVID19 Regulatory Package - Asset Classification and Provisioning*", the RBI circular no. DOR.No.BP.BC.71/21.04.048/2019-20 dated May 23, 2020 on "*COVID-19 – Regulatory Package*", and the RBI circular no. DOR.No.BP.BC.72/21.04.048/2019-20 dated May 23, 2020 on "*COVID19 Regulatory Package – Review of Resolution Timelines under the Prudential Framework on Resolution of Stressed Assets*" (each as amended, modified or restated from time to time).
NBFC	Non-Banking Financial Company
NBFC Directions	means the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 and/or the Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 (each as amended, modified or restated from time to time) as may be applicable

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Term	Meaning / Definition / Complete Term
NSDL	National Securities Depository Limited
Outstanding Amounts	means at any date, the Outstanding Principal Amounts together with any interest, additional interests, costs, fees, charges, and other amounts payable by the Company in respect of the Debentures
Outstanding Principal Amount	means, at any date, the principal amounts outstanding under the Debentures
Payment Default	shall mean any event, act or condition which, with notice or lapse of time, or both, would constitute an Event of Default under Section 7.7(a)
Potential Event of Default	shall mean any event, act or condition which with notice or lapse of time, or both, would constitute an Event of Default
Rating	AA -
Rating Agency	CARE Ratings Limited
RBI	Reserve Bank of India
Redemption Date	19th January, 2027
Redemption Payment	means the payment of the Outstanding Principal Amounts of the Debentures on the Redemption Date as specified in Annexure 2
Register of Beneficial Owners	means the register of beneficial owners of the Debentures maintained in the records of the Depository
Register of Debenture Holders	means the register of debenture holders maintained by the Company in accordance with Section 88 of the Act
Registrar	means the registrar and transfer agent appointed for the Issue, being Integrated Registry Management Services Limited
RoC / ROC	Registrar of Companies, Chennai
SEBI	Securities and Exchange Board of India
Secured Obligations	means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) of the Company to the Debenture Holders or the Debenture Trustee under the Transaction Documents, including without limitation, the making of payment of any interest, redemption of principal amounts, default interest, liquidated damages and all costs, charges, expenses and other amounts payable by the Company in respect of the Debentures. Means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) obligations of the Company to the Debenture Holders or the Trustee under the Debenture Trust Deed
SEBI Listing Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (as amended from time to time)
SEBI Defaults (Procedure) Circular	means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 on "Standardisation of procedure to be followed by Debenture Trustee(s)in case of 'Default' by Issuers of listed debt securities".
SEBI Listing Timelines Circular	means the SEBI circular bearing reference number SEBI/HO/DDHS/CIR/P/2020/19 dated October 5, 2020 on "Standardization of timeline for listing of securities issued on a private placement basis under: i. SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (SEBI ILDS), ii. SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 (SEBI NCRPS), iii. SEBI (Public Offer and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 (SEBI SDI), and iv. SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015 (SEBI ILDM)".
SEBI REF Circular	means the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 on "Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund"" issued by SEBI.
Stressed Assets Framework	means 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", as may be amended, modified or restated from time to time.

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Term	Meaning / Definition
Security Cover	Not Applicable
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
Special Resolution	means a resolution approved by such number of Debenture Holders that represent more than 75% (seventy five percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting or if a poll is demanded, by such number of Debenture Holders that represent more than 75% (seventy five percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting in such poll
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 and as maybe applicable in relation to the payment obligations of the Company under the DTD.
Tax Deduction	means a deduction or withholding for or on account of Tax from a payment under a Transaction Document pursuant to Applicable Law.
Tier II Capital	shall have the meaning given to it in NBFC Directions (as prescribed by the RBI).
Transaction Documents	has the meaning given to it in Section 7.1
Wilful Defaulter	shall mean a person 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 a person whose director or promoter is categorized as such.

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REGULATORY DISCLOSURES

1. LIST OF DOCUMENTS TO BE FILED WITH STOCK EXCHANGE

The Issuer has filed/shall file the following documents with the Stock Exchange along with the listing application seeking listing of securities issued under this Information Memorandum:

a) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
b) Copy of last 3 (three) years audited Annual Reports;
c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
d) Copy of the resolution of the board of directors of the Company passed at its meeting held on 20th June 2020 authorizing the borrowing and list of authorized signatories;
e) An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the Debenture Trust Deed would be executed within the time frame prescribed in the relevant regulations/act/rules etc and the same would be uploaded on the website of the BSE, within 5 (five) working days of execution of the same;
f) Any other particulars or documents that the BSE may call for as it deems fit; and
g) An undertaking that permission / consent from the prior creditor for a second or *pari passu* charge being created, where applicable, in favor of the Debenture Trustee has been obtained.

2. LIST OF DISCLOSURES TO BE SUBMITTED TO THE DEBENTURE TRUSTEE

The Issuer has submitted/shall submit the following disclosures to the Debenture Trustee in electronic form at the time of allotment of debt securities issued under this offer document:

a) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
b) Copy of last 3 (three) years audited Annual Reports;
c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
d) Latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any
e) An undertaking to the effect that the Issuer would, till the redemption of the Debentures, submit the details mentioned in point (d) above to the Debenture Trustee within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015 as amended from time to time, for furnishing / publishing its half yearly/ annual result.
Further, the Issuer shall within 180 (one hundred and eighty) days from the end of the financial year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' (QIBs) and other existing debenture-holders within 2 (two) working days of their specific request.

3. BRIEF PARTICULARS

A	**Name of the Issuer**	Hinduja Leyland Finance Limited
	Website of the Issuer	Website: http://www.hindujaleylandfinance.com Email ID: compliance@hindujaleylandfinance.com
B	**Registered Office of the Issuer**	No.1 Sardar Patel Road, Guindy, Chennai – 600032 Tel:044-3925 2525 Fax: 044-3925 2553
C	**Corporate Office of the Issuer**	27-A, Developed Plot (South Phase), Industrial Estate, Guindy, Chennai – 600032 Tel:044-39252533 Fax: 044-3925 2553 Website: http://www.hindujaleylandfinance.com Email ID: compliance@hindujaleylandfinance.com

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D	**Nodal/Compliance Officer of the Issuer**	B Shanmugasundaram Company Secretary and Compliance Officer 27-A, Developed Industrial Estate, Guindy, Chennai – 600032 Tel: 044-39252523 Email ID: compliance@hindujaleylandfinance.com
E	**Chief Financial Officer of the Issuer**	Kishore Kumar Lodha Chief Financial Officer 27-A, Developed Industrial Estate, Guindy, Chennai – 600032 Tel: 044-39252523 Email ID: kishore.lodha@hindujaleylandfinance.com
F	**Debenture Trustee of the Issue**	IDBI Trusteeship Services Limited Ground Floor, Asian Building, Ballard Estate, Mumbai 400001 Tel: 022-40807000 Email ID: itsl@idbitrustee.com
G	**Registrar & Transfer Agent of the Issue**	Integrated Registry Management Services Private Limited 2nd Floor, "Kences Towers", No. 1 Ramakrishna Street, North Usman Road, T Nagar, Chennai – 600 017 Tel: 044 - 28140801 to 28140803 Email ID: corpserv@integratedindia.in
H	**Credit Rating Agencies of the Issue**	CARE Ratings Limited 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai, Maharashtra 400022 Tel: 022- 6754 3456 Email ID: care@careratings.com
I	**Auditors of the Issuer**	M/s Deloitte Haskins & Sells Chartered Accountants Firm Regn. No. 008072S 19th Floor, 46 - Prestige Trade Tower, Palace Road, High Grounds, Bengaluru, Karnataka – 560001

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4. BRIEF SUMMARY OF THE BUSINESS/ ACTIVITIES OF THE ISSUER AND ITS LINE OF BUSINESS

a) OVERVIEW

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 1500+ locations spread across 22 states pan-India. Through a vast network of branches, it provides customized finance for the widest range of utility vehicles, tractors, cars, two-wheeler and other commercial vehicles, 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 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 has 1500+ locations as on date spread across 20 states in India.

HLF 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 is 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.

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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.
- *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.

b) CORPORATE STRUCTURE

The operations of the Company are managed by Board of Directors, with the Executive Vice Chairman 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:

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c) 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. Kishore Kumar Lodha, is the Chief Financial Officer. He is a chartered accountant and a member of the Institute of Chartered Accountant of India. He did his B.Sc. (Hons.) from the University of Burdwan. He is responsible for accounts, finance, taxation, treasury and investor relationships. Prior to joining our Company, he was associated with SREI Infrastructure Finance Limited for over 5 years, where he worked as CFO, taking care of SREI Infrastructure Finance Limited and various group companies of the group. Prior to that, he was associated with the Future Group (Pantaloon Retail India Limited and Future Value Retail Limited) for over 11 years where he was the Chief Financial Controller (East).

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. Mr. B. Shanmugasundaram is the Company Secretary and Compliance Officer of our Company. He holds a master's degree in economics from the University of Madras. He is a fellow member of the Institute of Company Secretaries of India. Prior to joining HLF, he was working with Sundaram Fasteners Limited as Assistant General Manager – Secretarial and was responsible for secretarial and compliance affairs. He has also worked with India Motor Parts & Accessories Limited as the company secretary for over 5 years.

d) NAMES, ADDRESSES, DIRECTOR IDENTIFICATION NUMBER (DIN) AND OCCUPATIONS OF THE DIRECTORS

Name, Designation and Occupation	Age (years)	DIN	Address
Mr. Dheeraj G Hinduja Designation: Chairman Occupation: Industrialist	49	00133410	24, Carlton House Terrace, London SW1Y4TE, United Kingdom
Mr. S. Nagarajan Designation: Whole Time Director and Executive Vice Chairman Occupation: Service	72	00009236	Flat No.3, Ashoka Terrace, 5B, Warren Road, Mylapore, Chennai 600 004, Tamil Nadu, India
Mr. Sachin Pillai Designation: Managing Director Occupation: Service	48	06400793	24/37, Radhakrishna Nagar Main Road, Thiruvanmiyur, Near Saraswathi School, Chennai 600041, India
Mr. Gopal Mahadevan Designation: Non-executive Director Occupation: Service	55	01746102	Chaitanya Laurels Flat No B 703, Old No 59/60 New No. 81/83, CP Ramaswamy Road, Alwarpet, Teynampet, Chennai – 600018, India
Mr. Sudhanshu Tripathi Designation: Non-executive Director	61	06431686	703, CASA GRANDE, 7TH FLOOR, S B MARG, LOWER PAREL WEST MUMBAI Maharashtra 400013 India

Name, Designation and Occupation	Age (Years)	DIN	Address
Occupation: Service			
Mr. G.S. Sundararajan Designation: Independent Director Occupation: Service	60	00361030	Flat 1002, The Summit, No. 6, I Avenue, Shahstri Nagar, Chennai – 600020, India
Mr. R. S. Sharma Designation: Independent Director Occupation: Consultant	69	00013208	B3-1102, The World Spa (W), Sector 30, Gurgaon 122 001, Haryana, India
Mr. Debabrata Sarkar Designation: Independent Director Occupation: Consultant	67	02502618	Flat No. 701, Mayfair Boulevard (old Narayan Apartments), Main Avenue Road, Off Linking Road, Santacruz (West), Mumbai 400 054, Maharashtra, India
Ms. Manju Agarwal Designation: Independent Director Occupation: Professional	62	06921105	14254 ATS One Hamlet, GH 01, Sector 104, Noida, Gautam Buddha Nagar, Uttar Pradesh- 201301, India
Dr. Andreas Biagosch Designation: Independent Director Occupation: Service	65	06570499	IRMGARDSTR 10, Munchen 81479, DE
Ms. Bhumika Batra Designation: Independent Director Occupation: Service	39	03502004	32, Mody Street, 3rd Floor, Fort, Mumbai – 400 001, Maharashtra, India

e) SUMMARY OF BUSINESS / ACTIVITIES

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 need's at affordable cost. It has 1500+ locations as on date spread across 20 states in India.

The Company finances a wide range of commercial and personal vehicles, which include medium and heavy commercial vehicles ("MHCVs"), light commercial vehicles ("LCVs"), small commercial vehicles ("SCVs"), cars, multi-utility vehicles, three wheelers, and two wheelers, as well as various kinds of used vehicles. Its vehicle finance business has a diversified customer base comprising of First Time Buyers, Captive Users, Retail Operators, Strategic and Large Fleet Owners, Small Truck Owners ("STOs"), and self-employed individuals, who are largely based in urban and semi-urban locations.

The Company also finances tractors and construction equipment and provide loans against property ("LAP"). In September 2015, the Company has received a certificate to commence housing finance business through their wholly owned subsidiary, Hinduja Housing Finance Limited, which focuses on providing finance for affordable housing loans.

HLF 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.

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CREDIT RATING

Bank Loan Ratings

Month	Amount Rated (in Crores)	Rating	Remarks
October 2020	100	IND AA- (Stable)	Assigned
September 2020	17,703	CARE AA- (Stable)	Reaffirmed
March 2020	3,000	CRISIL AA- (Stable)	Reaffirmed

Commercial Paper

CARE Rating Ltd and CRISIL Ltd has assigned credit rating of "CARE A1+" (CARE A One plus) & "CRISIL A1+" (CRISIL A One plus) respectively to the Commercial Paper outstanding programme of the Company amounting to INR 1,800 Crores.

Non-Convertible Debentures

On 30th June, 2021 credit rating letter was issued by CARE Ratings Limited has re-assigned the credit rating of "[AA-]" (read [Double A minus) the issuance of Proposed Non-Convertible Debenture issue programme and the rated amount is Rs 50 crores. The rating letter issued by Rating Agency for the non-convertible debentures is attached herewith as Annexure 3.

Subsidiaries of the Company

Hinduja Housing Finance Limited

OPERATING MODEL OVERVIEW

Product Details:

The Company has been registered with the RBI since March 22, 2010 as a non-deposit taking systemically important NBFC under Section 45-IA of the Reserve Bank of India Act, 1934 and since May 2014 it has been classified as an NBFC-Asset Finance Company. The Company's two principal business verticals are asset finance and housing finance. HLF operates the asset finance business while its wholly-owned subsidiary, Hinduja Housing Finance Limited, has received an operating license in September 2015 for housing finance business.

HLF 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

Our asset finance products include:

Commercial Vehicles : We finance the purchase of new commercial vehicles, including MHCVs, which are used for carrying goods, and LCVs, which are used for carrying goods and passengers. In the CV segment, our customers include primarily Captive Users and FTBs. Some of these customers typically have limited access to bank loans for commercial vehicle financing and limited or no credit history

Two Wheelers : We finance the purchase of two wheelers. Our customers in this segment primarily include individuals.

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Three Wheelers : We finance the purchase of three-wheelers in the goods as well as in the passenger segment. Customers in the three-wheeler segment primarily include FTBs.

Tractors : We finance the purchase of tractors. Our customers for tractors primarily include agriculturists, who have cultivable land and use the tractors for their own use.

Used Vehicles : We finance the purchase of used vehicles, typically MHCVs, LCVs, cars, tractors and three wheelers up to 10 years of age. Our customers for used vehicles primarily include FTBs.

Construction Equipment : We finance the purchase of construction equipment used for road construction, mining and infrastructure projects. Our customers in this segment primarily include FTBs that are incidental to the infrastructure, predominantly in the construction of roads and mining sectors. We believe that this business segment is a logical extension of our product portfolio to our existing customer base.

Loan against Property : Our LAP business is primarily targeted at individual/non-individual entities, professional and salaried individuals in transport sector to meet working capital requirements or to facilitate debt consolidation against the security of residential or commercial property. Our LAP business typically involves loans ranging between ₹ 1.00 million and ₹ 100.00 million, based on the type of customers with loan tenures that typically range between 10 and 15 years. We commenced the LAP business in Fiscal 2015.

Trade Advances : We provide trade advances to dealers, which enable their customers to enter into direct contracts with us. These arrangements ensure that the financing process is efficient and enable us to maintain close relationships with dealers and customers. We provide short-term trade advances to established dealers of leading manufacturers of commercial vehicles, two wheelers and construction equipment to enable them to carry adequate inventory. As the trade advances are unsecured, the aggregate outstanding under trade advances is limited to ₹ 2.50 Billion.

While most of the financing by the Company is for new vehicles, the Company does have a small portion of used vehicle finance portfolio. Used vehicle finance formed around 6.2% of the Total Company's Asset under management as of March 2020.

Since inception, HLF has been working towards supporting entrepreneurs realize their dreams by financing vehicles. The large geographical coverage is marked by a hub-and-spoke approach through an array of regional, branch and pocket offices. One of the key offering covers Heavy Commercial Vehicles. HLF is exclusively tied up with Ashok Leyland heavy vehicle department and enjoy special offers.

f) KEY OPERATIONAL AND FINANCIAL PARAMETERS

Parameters (Rs in Mn)	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17	FY 2015-16	FY 2014-15	FY 2013-14	FY 2012-13
Networth	3,825	3,246	2,724	2,020	1,385	1,069	917	804	526
Total Debt	17,403	16,987	17,007	13,157	9,417	7,351	4,827	2,934	2,405
of which – Non Current Maturities of Long Term Borrowing	10,384	10,902	10,453	8,941	6,109	5,167	2,996	1,462	1,181
- Short Term Borrowing	549	468	1,498	1,235	364	593	650	568	446
- Current Maturities of Long Term Borrowing	6,470	5,617	5,056	2,981	2,944	1,591	1,180	902	778
Net Fixed Assets	85	51	49	47	48	43	35	34	12
Non-Current Assets* (total)	14,318	11,406	11,916	10,692	7,039	5,665	3,455	1,983	1,752
Cash and Cash Equivalents	808	829	242	126	66	89	72	46	72
Current Investments	105	177	751	260	219	264	285	90	-
Receivables under Financing Activity – Current Maturity	6,346	7,875	6,995	4,360	4,117	2,632	2,044	1,610	1,069
Receivables under Financing Activity – Non Current Maturity	12,442	10,664	11,111	9,746	6,251	5,340	3,146	1,637	1,527
Current Assets (total)	**7,605**	**9,355**	**8,285**	**5,104**	**4,527**	**3,106**	**2,514**	**1,872**	**85**
Current Liabilities (total)	**7,449**	**6,491**	**7,012**	**4,832**	**3,867**	**2,484**	**2,058**	**1,545**	**43**
Assets Under Management (AUM)	27,294	26,451	25,417	19,263	14,070	10,001	6,688	4,137	3,444

For HINDUJA LEYLAND FINANCE LTD.

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Parameters Upto Latest	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17	FY [illegible]	[illegible]	[illegible]	[illegible]
On Book AUM	22,240	21,065	21,283	16,136	12,200	9,346	6,038	3,565	2,724
Off Book AUM	5,054	5,386	4,134	3,127	1,870	655	650	572	720
Interest Income	2,493	2,679	2,243	1,743	1,315	978	692	548	456
Interest Expense	1,427	1,554	1,321	990	834	624	402	286	233
Provisioning & Write-offs	736	617	567	506	207	153	135	79	56
PBT	352	439	423	277	257	225	165	123	135
PAT	270	292	276	182	168	150	112	81	91
Gross NPA (%)	4.0	4.4	4.7	5.1	4.2	3.5	3.6	3.2	2.4
Net NPA (%)	2.0	2.6	3.0	3.1	3.1	2.8	2.9	2.6	2.1
Capital Adequacy Ratio (%)	18.0	17.3	17.0	17.0	15.8	16.2	19.7	20.4	15.9

g) GROSS DEBT EQUITY RATIO OF THE COMPANY

Before the issue of Debentures as on March 31, 2021	4.6
After the issue of Debentures	4.6

h) PROJECT COST AND MEANS OF FINANCING, IN CASE OF FUNDING NEW PROJECTS

NA

For HINDUJA LEYLAND FINANCE LTD.

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1. A BRIEF HISTORY OF THE ISSUER SINCE ITS INCORPORATION

a) BACKGROUND

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 1500+ locations spread across 20 states pan-India. Through a vast network of branches, it provides customized finance for the widest range of utility vehicles, tractors, cars, two wheeler and other commercial vehicles, focusing on the semi-urban and rural sector.

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

Particulars	Description
Date of Incorporation	12th November, 2008
RBI Registration No.	N-07-00782
Corporate Identity Number	U65993TN2008PLC069837
Permanent Account Number	AACCH1807P
Constitution	Private limited Company operating as Systemically Important, Non-Deposit taking NBFC
Name of the Chief Functionary	Mr. S Nagarajan, Whole Time Director and Executive Vice Chairman
Financial Year	1st April to 31st March
Credit Rating	CARE A1+ from CARE CRISIL A1+ from CRISIL CARE AA- from CARE CRISIL AA- from CRISIL
Registered Office	1, Sardar Patel Road, Guindy, Chennai 600 032, Tamil Nadu, India Tel: +91 44 3925 2525 Fax: +91 44 3925 2553 Website: http://www.hindujaleylandfinance.com Email ID: compliance@hindujaleylandfinance.com
Auditors	M/s Deloitte Haskins & Sells Chartered Accountants Firm Regn. No. 008072S 19th Floor, 46 - Prestige Trade Tower, Palace Road, High Grounds, Bengaluru, Karnataka – 560001

b) CAPITAL STRUCTURE

(I) Details of Share Capital as on March 31, 2021

Share Capital	Amount (Rupees)
Authorised Capital	
622,907,700 equity shares of Rs.10/- each	6,229,077,000
Total Authorised Capital	6,229,077,000
Issued, Subscribed and Paid Up Capital	
469,782,490 equity shares of Rs.10 each	4,697,824,900

For HINDUJA LEYLAND FINANCE LTD.

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(ii) Details of present offer

Particulars	Amount in INR Crores	Remarks
Size of the present offer	50	500 rated, listed, unsecured, subordinated, redeemable, taxable, transferable non-convertible debentures having a face value of INR 10,00,000 (Indian Rupees Ten Lakhs each) and aggregating to INR 50,00,00,000 (Indian Rupees Fifty Crores) for value at Par, in dematerialized form on a private placement basis
Paid-up capital		
➢ After the offer	470	Nil
➢ After conversion of convertible instruments (if applicable)	470	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.
Share Premium account		
➢ Before the offer	967	Nil
➢ After the offer	967	Nil

(iii) Details of changes in authorised capital structure as on March 31, 2021 and for the last five years

Date of Change (AGM/EGM)	Rupees Crores	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
Total	**622.91**	**Authorized Share Capital**

(iv) Details of Equity Share Capital History of the Company as on last quarter ended December 31, 2020 and for the last five years (Also, refer note below)

For HINDUJA LEYLAND FINANCE LTD.

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Date of allotment	No. of equity shares	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)	
12-Dec-08	50,000	10	10	Cash	Rights	50,000	500,000	0	N. A
6-Mar-09	1,950,000	10	10	Cash	Rights	2,000,000	20,000,000	0	N. A
15-May-09	500,000	10	10	Cash	Rights	2,500,000	25,000,000	0	N. A
23-Feb-10	1,000,000	10	10	Cash	Rights	3,500,000	35,000,000	0	N. A
6-Mar-10	1,500,000	10	10	Cash	Rights	5,000,000	50,000,000	0	N. A
30-Mar-10	10,000,000	10	10	Cash	Rights	15,000,000	150,000,000	0	N. A
31-Jul-10	60,000,000	10	10	Cash	Rights	75,000,000	750,000,000	0	N. A
31-Jul-10	50,000,000	10	10	Cash	Pref Allotment	125,000,000	1,250,000,000	0	N. A
28-Feb-11	100,000,000	10	10	Cash	Rights	225,000,000	2,250,000,000	0	N. A
30-Sep-11	100,000,000	10	10	Cash	Rights	325,000,000	3,250,000,000	0	N. A
1-Aug-13	5,321,762	10	37, 58	Cash	Pref Allotment	330,321,762	3,303,217,620	27, 48	N. A
9-May-14	4,78,95,857	10	37, 58	-	Conversion of Pref. Shares	37,82,17,619	378,21,76,190	27, 48	N. A
13-Aug-15	4,74,000	10	10, 28	Cash	ESOP Allotment	37,86,91,619	378,69,16,190	0, 18	N. A
02-Nov-15	27,000	10	28	Cash	ESOP Allotment	37,87,18,619	378,71,86,190	18	N. A
10-Nov-16	3,34,37,302	10	79	Cash	Rights	41,21,55,921	412,15,59,210	69	N. A
23-Jun-17	10,568,101	10	94	Cash	Rights	42,27,24,022	422,72,40,220	84	N. A
22-Sep-17	15,097,287	10	100	Cash	Rights	43,78,21,309	437,82,13,090	90	N. A
09-Nov -17	158,500	10	28	Cash	ESOP Allotment	43,79,79,809	437,97,98,090	18	N. A
30-Jan-18	182,49,159	10	110	Cash	Rights	45,62,28,968	456,22,89,680	100	N. A
13-Feb-18	36,000	10	28	Cash	ESOP Allotment	45,62,64,968	456,26,49,680	18	N. A
13-Feb-18	36,000	10	54.4	Cash	ESOP Allotment	45,63,00,968	456,30,09,680	44.4	N. A
24-Mar-18	62,000	10	28	Cash	ESOP Allotment	45,63,62,968	456,36,29,680	18	N. A
24-Mar-18	75,000	10	54.4	Cash	ESOP Allotment	45,64,37,968	456,43,79,680	44.4	N. A
12-May-18	15,000	10	28	Cash	ESOP Allotment	45,64,52,968	456,45,29,680	18	N. A
12-May-18	42,000	10	54.4	Cash	ESOP Allotment	45,64,94,968	456,49,49,680	44.4	N. A
21-Jul-18	22,500	10	28	Cash	ESOP Allotment	45,65,17,468	4,56,51,74,680	18	N. A
Sept-18	70,000	10	28, 75	Cash	ESOP Allotment	45,65,87,468	456,58,74,680	18, 75	N. A
Dec-18	32,000	10	54.4	Cash	ESOP Allotment	45,66,19,468	456,61,94,680	44.4	N. A
Dec-18	66,17,672	10	153	Cash	Right	46,32,37,140	463,23,71,400	143	N. A
Mar-19	64,33,850	10	153	Cash	Right	46,96,70,990	469,67,09,900	143	N. A
May-19	49,000	10	28, 54, 40, 110	Cash	ESOP Allotment	46,97,19,990	469,71,99,900	18, 44, 30, 100	N. A
Sept-19	10,000	10	75	Cash	ESOP Allotment	46,97,29,990	469,72,99,900	65	N. A
Dec-19	22,500	10	54.4	Cash	ESOP Allotment	46,97,52,490	469,75,24,900	44.4	N. A

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Date of allotment	No. of equity shares	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)	
Oct-20	30,000	10	28.75	Cash	ESOP Allotment	46,97,82,490	469,78,24,900	18.65	N. A

The number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case – Nil

(v) Details of any Acquisition or Amalgamation in the last 1 year

Nil

(vi) Details of any Reorganization or Reconstruction in the last 1 year

Type of Event	Date of Announcement	Date of Completion	Details
Nil			

(vii) Details of the shareholding of the Company as on March 31, 2021

Name of Shareholder	Class of Shares	Total No of Equity Shares	No. of shares in Demat Form	Total shareholding as % of total no of equity shares
Ashok Leyland Limited	Equity	323,246,339	323,246,339	68.8
IndusInd International Holdings Limited	Equity	78,979,303	78,979,303	16.8
Hinduja Capital Limited (formerly known as Hinduja Power Limited)	Equity	20,786,550	20,786,550	4.5
Hinduja Automotive Limited	Equity	43,288,239	43,288,239	9.2
Aasia Corporation LLP	Equity	489,399	489,399	0.1
Employees and ex-employees	Equity	2,992,660	2,990,592	0.6
Total Equity Shares		**469,782,490**	**469,780,422**	**100.0**

Notes: Shares pledged or encumbered by the promoters (if any) –**Nil**

(viii) List of Top 10 holders of equity shares of the Company as on March 31, 2021

S. no	Name of Shareholder	Class of Shares	Total No of Equity Shares	No. of shares in Demat Form	% of total no of equity shares
1	Ashok Leyland Limited	Equity	323,246,339	323,246,338	68.8
2	IndusInd International Holdings Limited	Equity	78,979,303	78,979,303	16.8

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3	Hinduja Automotive Limited	Equity	43,288,239	33,288,239	9.2
4	Hinduja Capital Limited (formerly known as Hinduja Power Limited)	Equity	20,786,550	30,786,550	4.5
5	Nagarajan S	Equity	2,083,375	2,083,375	0.44
6	Aasia Corporation LLP	Equity	489,399	489,388	0.1
7	Sachin Pillai	Equity	240,833	240,833	0.05
8	Srikanth Mannepalli	Equity	77,188	77,188	0.02
9	G. Vijaykumar	Equity	70,000	70,000	0.01
10	Sudhanshu Kr Tripathi	Equity	65,830	65,830	0.01
	Total Equity Shares		**469,782,490**		**99.89%**

c) DETAILS REGARDING DIRECTORS OF THE COMPANY

(i) Details of Current directors of the Company*

Name, Designation and Occupation	Age (years)	DIN	Address	Date
Mr. Dheeraj G Hinduja Designation: Chairman Occupation: Industrialist	49	00133410	24, Carlton House Terrace, London SW1Y4TE, United Kingdom	30-Aug-11
Mr. S. Nagarajan Designation: Whole Time Director and Executive Vice Chairman Occupation: Service	72	00009236	Flat No.3, Ashoka Terrace, 5B, Warren Road, Mylapore, Chennai 600 004, Tamil Nadu, India	12-Nov-08
Mr. Sachin Pillai Designation: Managing Director Occupation: Service	48	06400793	24/37, Radhakrishna Nagar Main Road, Thiruvanmiyur, Near Saraswathi School, Chennai 600041, India	11-Feb-20
Mr. Gopal Mahadevan Designation: Non-executive Director Occupation: Service	55	01746102	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
Mr. Sudhanshu Tripathi Designation: Non-executive Director Occupation: Service	61	06431686	703, CASA GRANDE, 7TH FLOOR, S B MARG, LOWER PAREL WEST MUMBAI Maharashtra 400013 India	13-Aug-15
Mr. G.S. Sundararajan Designation: Independent Director Occupation: Service	60	00361030	Flat 1002, The Summit, No. 6, I Avenue, Shahstri Nagar, Chennai – 600020, India	21-May-19
Mr. R. S. Sharma Designation: Independent Director Occupation: Consultant	69	00013208	B3-1102, The World Spa (W), Sector 30, Gurgaon 122 001, Haryana, India	19-Dec-13
Mr. Debabrata Sarkar Designation: Independent Director Occupation: Consultant	67	02502618	Flat No. 701, Mayfair Boulevard (old Narayan Apartments), Main Avenue Road, Off Linking Road, Santacruz (West), Mumbai 400 054, Maharashtra, India	16-Mar-15

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Name, Designation and Occupation	Age (years)	DIN	Address	Date of appointment
Ms. Manju Agarwal Designation: Independent Director Occupation: Professional	62	06921105	14254 ATS One Hamlet, GH 01, Sector 104, Noida, Gautam Buddha Nagar, Uttar Pradesh- 201301, India	5-Jun-18
Dr. Andreas Blagosch Designation: Independent Director Occupation: Service	65	06570499	IRMGARDSTR 10, Munchen 81479, DE	10-Nov-2016
Ms. Bhumika Batra Designation: Independent Director Occupation: Service	39	03502004	32, Mody Street, 3rd Floor, Fort, Mumbai – 400 001, Maharashtra, India	4-Nov-2020

*** Company to disclose name of the current directors who are appearing in the RBI defaulter list and/or ECGC default list, if any:** None of the Directors are appearing in the RBI defaulter list and/or ECGC default list.

(ii) Details of change in directors since last three years

Name of Director and DIN	Date of appointment	Date of resignation/cessation	Director of the Company since	Designation	Remarks
Mr. Atul Kapur DIN: 01778935		December 3,2019	1-Aug-13	Nominee Director	N/A
Mr. R. Sundararaman DIN: 00008172		March 22, 2019	16-Apr-15	Independent Director	N/A
Ms. Bhumika Batra DIN: 03502004	-	June 5, 2018	16-Mar-15	Independent Director	N/A
Mr. Samir Bhatia DIN: 01769655		February 27, 2018	13-Aug-15	Independent Director	N/A
Ms. Manju Agarwal DIN: 06921105	June 5, 2018		June 5, 2018	Independent Director	N/A
Mr. G. S. Sundararajan DIN: 00361030	May 21, 2019		May 21, 2019	Independent Director	N/A
Mr. Sachin Pillai DIN: 06400793	February 11, 2020		February 11, 2020	Managing Director	N/A
Ms. Bhumika Batra DIN: 03502004	November 4, 2020		November 4, 2020	Independent Director	N/A

d) DETAILS REGARDING AUDITORS OF THE COMPANY

(i) Details of the auditor of the Company

Name	Address	Auditor since
M/s Deloitte Haskins & Sells	19th Floor, 46-Prestige Trade Tower, Palace Road, High Grounds, Bengaluru, Karnataka – 560001	4th July, 2019

(ii) Details of change in auditor since last three years

Name	Address	Date of appointment/ resignation	Auditor of the Company from the date of resignation/ cessation	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

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M/s Deloitte Haskins & Sells	19th Floor, 46-Prestige Trade Tower, Palace Road, High Grounds, Bengaluru, Karnataka – 560001	04/07/2019		Appointed as Statutory Auditor of the Company at the Annual General Meeting of the Company held on 4th July, 2019 for a period of 5 years

e) DETAILS OF BORROWINGS OF THE COMPANY, AS ON 31st March 2021

(i) Details of secured loan facilities

Name of the Lender	Type of facility	No of Facilities	Amount Sanctioned (in Rs crores)	Limit Available (in Rs crores)	Principal Amount outstanding (in Rs crores)
Punjab National Bank	Term Loan	10	3250	2,009	2,009
State Bank of India	Term Loan	5	2100	1,990	1,240
Canara Bank	Term Loan	7	2900	1,697	1,697
Indian Bank	Term Loan	8	2900	1,644	1,644
Union Bank of India	Term Loan	7	2060	1,306	1,106
Bank of Baroda	Term Loan	7	3650	1,302	1,302
Small Industries Develoment Bank of India	Term Loan	4	1350	813	613
Central Bank of India	Term Loan	4	1100	741	741
HDFC Bank	Term Loan	10	1240	721	721
Deutsche Bank	Term Loan	2	700	700	700
Axis Bank Limited	Term Loan	7	850	504	504
Bank of India	Term Loan	1	100	500	100
ICICI Bank Limited	Term Loan	2	500	383	383
Micro Units Development and Refinance Agency Bank	Term Loan	2	500	308	208
Bank of Maharashtra	Term Loan	1	300	300	300
Federal Bank Limited	Term Loan	5	475	186	186
South Indian Bank Limited	Term Loan	2	148.5	107	107
Bajaj Finance Limited	Term Loan	1	100	92	92
Karnataka Bank Limited	Term Loan	1	50	70	70

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Kotak Mahindra Bank Limited	Term Loan	1	100	63	63
Development Credit Bank Ltd	Term Loan	1	110	61	61
Ujjivan Small Finance Bank Limited	Term Loan	1	50	50	50
UCO Bank	Term Loan	1	50	40	40
Total				15,584	13,934

(ii) Details of unsecured loan facilities

INR in Crores

Sl. No	Lender's Name	Type of facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date/ Schedule
NIL					

(iii) Details of Non-Convertible Debentures (as on 31.03.2021)

Sr No	ISIN/ Debenture Series	Tenor / Period of maturity	Coupon	Amount Issued (Rs in crore)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
1	INE146O08068	5 Years 6 Months	11.50%	85	30-Nov-15	31-May-21	"AA-" by CRISIL	Unsecured	Nil
2	INE146O08076	5 Years 6 Months	11.40%	35	15-Dec-15	15-Jun-21	"AA-" by CRISIL	Unsecured	Nil
3	INE146O08084	5 Years 6 Months	11.30%	85	20-Jan-16	21-Jul-21	"AA-" by CRISIL	Unsecured	Nil
4	INE146O08092	5 Years 9 months	11.10%	180	23-Jun-16	08-Apr-22	"AA-" by CARE	Unsecured	Nil
5	INE146O08100	7 Years	9.40%	100	28-Aug-17	28-Aug-24	"AA-" by CARE	Unsecured	Nil
6	INE146O08118	7 Years	9.20%	100	13-Sep-17	13-Sep-24	AA- by CARE	Unsecured	Nil
7	INE146O08134	7 Years	10.15%	100	27-Mar-18	27-Mar-25	AA- by CARE	Unsecured	Nil
8	INE146O08126	5 Years 6 Months	9.50%	50	27-Mar-18	23-Sep-23	AA- by CARE	Unsecured	Nil

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9	INE146O07359	2 Year 11Month	9.05 %	50	18-May-18	06-Apr-21	AA- by CARE and CRISIL	Secured	Secured by first ranking mortgage of an immovable property in favour of trustees and in addition to specific assets by pari passu charge on hypothecation loan receivables with a security cover of 110% as per the terms of issue.
10	INE146O08142	6 Years	9.70 %	150	18-Sep-18	18-Sep-24	PP-MLD AA- by CARE	Unsecured	Nil
11	INE146O08159	5 year 6month	11.60%	100	26-Mar-19	29-Sep-24	AA- by CARE and CRISIL	Unsecured	Nil
12	INE146O07375	3 year	9.25 %	200	05-Jun-20	02-Jun-23	AA- by CARE	Secured	Secured by specific assets by pari passu charge on hypothecation loan receivables with a security cover of 100% as per the terms of issue.
13	INE146O07383	18 months	8.30 %	250	8-Jul-20	7-Jan-22	AA- by CARE	Secured	Secured by specific assets by pari passu charge on hypothecation loan receivables with a security cover of 110% as per the terms of issue.
14	INE146O07391	18 months	8.15 %	300	7-Aug-20	7-Feb-22	AA- by CARE	Secured	Secured by specific assets by pari passu charge on hypothecation loan receivables with a security cover of 110% as per the terms of issue.
15	INE146O07409	18 months	8.05 %	100	6-Oct-20	06-Apr-22	AA- by CRISIL	Secured	Secured by specific assets by pari passu charge on hypothecation loan receivables with a security cover of 110% as per the terms of issue.
16	INE146O07417	18 months	8.05 %	100	13-Nov-20	13-May-22	AA- by CARE	Secured	Secured by specific assets by pari passu charge on hypothecation loan receivables with a security cover of 110% as per the terms of issue.
17	INE146O07425	36 months	8.50 %	200	14-Dec-20	15-Dec-23	AA- by CARE	Secured	Secured by specific assets by pari passu charge on hypothecation loan receivables with a security cover of 110% as per the terms of issue.
18	INE146O07433	30 months	8.00 %	55	30-Dec-20	28-Jun-23	PP-MLD AA- by CARE	Secured	Secured by specific assets by pari passu charge on hypothecation loan receivables with a security cover of 100%

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									as per the terms of issue.
19	INE146O 08167	66 mont hs	9.75 %	45	16-Feb-21	18-Aug-26	AA- by CRISIL	Unsecure d	Nil
20	INE146O 08175	67 mont hs	9.75 %	55	08-Mar-21	08-Oct-26	AA- by CRISIL	Unsecure d	Nil
21	INE146O 08183	66 mont hs	9.75 %	50	19-Mar-21	18-Sep-26	AA- by CRISIL	Unsecure d	Nil
22	INE146O 08191	66 mont hs	9.75 %	75	26-Mar-21	25-Sep-26	AA- by CARE and CRISIL	Unsecure d	Nil

***(iv)* List of Top 10 debenture holders as on March 31, 2021**

Name of the Debenture Holder	Amount (INR crores)
Franklin Mutual Fund	605
State Bank of India	500
Indian Bank	250
Union Bank of India	200
UCO Bank	100
Tata Capital Financial Services Ltd	75
AU Small Finance Bank Limited	50
Indian Overseas Bank	50
Punjab National Bank	50
SBI Life Insurance Co Ltd	50
Total	**1,930**

***(v)* The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group Company, etc.) on behalf of whom it has been issued**

Nil

(vi) **Details of Commercial Paper**

The total face value of commercial papers outstanding as on March 31, 2021: NIL

(vii) **Details of rest of the borrowings (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on 31st March 2021**

Party Name (In case of Facility) / Instrument Name	Type of Facility / Instrument	Credit Rating	Amount Sanctioned / Issued	Principal amount Outstanding	Repayment Date / Schedule	Secured / Unsecured	Security
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(viii) **Details of all default/s and/or delay in payments of Statutory dues, interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 5 years and before.**

Particulars	Amount Involved	Duration of Default	Present Status
Statutory Dues	Nil	Not Applicable	Not Applicable
Debentures and Interest thereon	Nil	Not Applicable	Not Applicable
Deposits and Interest thereon	Nil	Not Applicable	Not Applicable
Loan from any bank or financial institution and interest thereon	Nil	Not Applicable	Not Applicable

(ix) **Details of any outstanding borrowings taken/ debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option.**

Nil

(x) **Any Default in Annual filing of the Company under the Companies Act, 2013 or the rules made thereunder**

Nil

f) Disclosures with regard to interest of Directors, Litigations, Remuneration, Related Party disclosures, etc.

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

Nil

(ii) Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree Company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.

Nil

(iii) Remuneration of directors (during the current year and last three financial years)

The details of remuneration paid to the Managing Director and other Directors of the Company are summarized in the below table:

Name of the Director	Year	Remuneration (in Rs. In lakhs)
Mr. S Nagarajan	2013-14	176
	2014-15	186.50
	2015-16	293.04
	2016-17	366
	2017-18	276
	2018-19	340.46
	2019-20	378
	2020-21(Upto December-20)	326
Mr. Sachin Pillai	2017-18	224.83
	2018-19	287.78
	2019-20	283.43
	2020-21(Upto December-20)	264.13

(iv) Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided.

Amount in Rs. lakhs

Nature of transaction	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Salaries and allowances to Key Managerial personnel						
Key Managerial Personnel	171	293	556	500	689	807
Investments in equity shares						
Subsidiary	-	1500	7500	3000	3000	4000
Reimbursement of expenses						
-Subsidiary	-	16	161	333	64	104
-Holding company					0	1
Interest/ finance income						
-Holding Company	-	29	19	-		
- Fellow Subsidiary	-	43	584	503	463	699
Stock options issued (in numbers)						
-Key Managerial Personnel	2,000,000 options	4,40,000 options	16,40,000 options	60,000 options	70,000 options	10,000 options
Purchase of services:						
a. Service provider fee						
-Associate	2999	3204	5442	6996	7410	8622
b.. Sourcing and marketing expenses						
- Associate	857	-	454	1136	-	-
Other operating income						
-Holding Company	-	10	-	-		
-Associate	1,818	2040	3187	5854	9305	-
Amounts due from related						
-Holding Company	-	7	-	-		
-Associate	2,118	3509	5553	6580	11359	5186
-Subsidiary			89	26	-	-
-Fellow Subsidiary			7378	4539	5213	-

(v) Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the

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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 remark.

Nil

(vi) Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous Company law in the last three years immediately preceding the year of circulation of offer letter in the case of Company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for the Company and all of its subsidiaries.

Nil

(vii) The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the ongoing concern status of the Company and its future operations

Nil

(viii) Details of acts of material frauds committed against the Company in the last three years, if any, and if so, the action taken by the Company.

Amount in Rs. 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

(ix) Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of information Memorandum

Amount in Cr.

Financial Year	PBT	PAT
2020-21	352	270
2019-20	439	292
2018-19	423	276

(x) Dividends declared by the Company in respect of the said 3 (three) financial years;

Amount in Cr.

Financial Year	Dividend
2020-21	Nil
2019-20	Nil
2018-19	Nil

(xi) Interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)

Financial Year	Ratio
2020-21	1.2
2019-20	1.2
2018-19	1.3

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g) DETAILS OF THE PROMOTERS AND OTHER INFORMATION/DISCLOSURES ABOUT THE COMPANY

(i) Details of Promoter Holding in the Company as on the latest quarter ended, 31st March 2021

Sl. No.	Name of shareholder	Total no of equity shares	No. of shares in demat form	Total shareholding as on % of total no of shares	No of Shares Pledged	% of Shares pledged with respect to shares owned
1	Ashok Leyland Limited	32,32,46,339	32,32,46,339	68.8	Nil	Nil

(ii) Abridged version of Audited Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications, if any.

Standalone financial information of the Company for last three financial years:

Balance Sheet- Refer to Annexure 6

Statement of Profit and Loss Account- Refer to Annexure 6

Cash Flow Statement- Refer to Annexure 6

(iii) Abridged version of Latest Audited/Limited Review Half Yearly Consolidated and Standalone Financial Information (like Profit & Loss statement, and Balance Sheet) and auditors' qualifications, if any.

Limited Review (Standalone) Financial Results for the Year Ended 31st March 2021
Refer to Annexure 6

Auditor Qualifications, if any – Nil

(iv) Financial position of the Company for the last 3 financial years/A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this Information Memorandum/ Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this Information Memorandum

Standalone financial information of the Company for last three financial years:

Balance Sheet- Refer to Annexure 6

Statement of Profit and Loss Account- Refer to Annexure 6

Cash Flow Statement- Refer to Annexure 6

(v) Change in accounting policies during the last three years and their effect on the profits and the reserves of the Company.

Loan origination costs and income

Effective April 1, 2014, the Company changed its accounting policy of recognizing the loan origination cost and income from up front recognition to deferral and consequent amortisation thereof over the tenure of the loan. This change was effected on a prospective basis. Pursuant to such change, there has been an increase in profit for the year by Rs. 4.12 crores.

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(vi) Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax 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 debt securities.

Nil

(vii) Date of passing of Board resolution

3rd June 2021

(viii) Date of passing of resolution in the general meeting, authorising the offer of securities

30th June 2021

(ix) Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued

Please refer Section 6

(x) Price at which the security is being offered, including premium if any, along with justification of the price

The Debentures are being offered at face value of INR 10,00,000 per Debenture. Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.

(xi) Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the Registered valuer

Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.

(xii) Relevant date with reference to which the price has been arrived at

Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.

(xiii) The class or classes of persons to whom the allotment is proposed to be made

Please refer Section 6.

(xiv) Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [not required in case of issue of non-convertible debentures]

Not applicable as the Debentures are non-convertible debt instruments

(xv) The proposed time within which the allotment shall be completed

The Debentures will be deemed to be allotted on 19th July, 2021 (i.e., the Deemed Date of Allotment), and the Company will ensure that the Debentures are credited into the demat accounts of the holders of the Debentures ("Debenture Holders") within 2 business days from the Deemed Date of Allotment, each in accordance with the Debenture Trust Deed. In any case, the period within which the Debentures will be allotted will not exceed the maximum period of 60 (sixty) days from the date of receipt of application money prescribed under the Companies Act, 2013.

(xvi) The names of the proposed allottees and the percentage of post private placement capital that may be held by them [not required in case of issue of non- convertible debentures]:

Not applicable as the Debentures are non-convertible debt instruments.

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(xvii) The change in control, if any, in the Company that would occur consequent to the private placement

Not applicable as the Debentures are non-convertible debt instruments.

(xviii) The number of persons to whom allotment on preferential basis/private placement / rights issue has already been made during the year (Financial year), in terms of number of securities as well as price

NIL

(xix) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer

Not applicable as the Debentures are non-convertible debt instruments which are being issued at face value

(xx) Terms of raising of securities:

Duration, if applicable:	Please refer Section 6
Date of Maturity of the Debentures	Please refer Section 6
Rate of Interest or Dividend:	Please refer Section 6
Mode of Payment	Cheque(s)/ demand draft/ electronic clearing services(ECS)/credit through RTGS system/funds transfer
Mode of Repayment	Cheque(s)/ demand draft/ electronic clearing services(ECS)/credit through RTGS system/funds transfer
Redemption Amount	Please refer Section 6
Business Day Convention	As set out in the Debenture Trust Deed. If any due date falls on a day which is not a business day, the payment to be made on such due date shall be made on the immediately succeeding business day, except where such due date is for the payment of a redemption payment, in which case such payment shall be made on the immediately preceding business day.
Mode of Payment for Subscription	( ) Cheque ( ) Demand Draft ( ) Other Banking Channels Please refer Section 8

(xxi) Amount, which the Company intends to raise by way of securities

Please refer Section 6.

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(xxii) Proposed time schedule for which the Issue/Private Placement Offer cum Application Letter is valid

Please refer Section 6.

(xxiii) Purpose and objects of the Issue/Offer

Please refer Section 6.

(xxiv) Contribution being made by the Promoters or directors either as part of the offer or separately in furtherance of such objects

Nil.

(xxv) Principal terms of assets charged as security, if applicable

Please refer Section 6. (Not Applicable)

(xxvi) Details of the Debenture Trustee(s) and consents thereof

IDBI Trusteeship Services Limited is appointed as the debenture trustee for the Issue. IDBI Trusteeship Services Limited has given their consent to act as debenture trustee to the Issuer for its appointment as per sub regulation 4 under regulation 4 of Securities Exchange and Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and in all the subsequent periodical communications sent to the holders of debt securities.

(xxvii) Credit Rating Rationale and Credit Rating Letter

Credit rating letter from CARE Ratings issued on 30th June, 2021 are enclosed in Annexure 3.

(xxviii) If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain 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 offer document.

Not Applicable

(xxix) Copy of consent letter from the Debenture Trustee shall be disclosed

Copy of consent letter from IDBI Trusteeship Services Ltd is enclosed in Annexure 4.

(xxx) Names of all the recognized stock exchanges where the debt securities are proposed to be listed clearly indicating the designated stock exchange.

The Debenture are proposed to be listed on the wholesale debt market (WDM) segment of BSE Limited.

(xxxi) Other Details

1. ***DRR Creation - relevant regulations and applicability***

   As per Rule 18 (7)(b)(A) of the Companies (Share Capital & Debentures) Rules, 2014 creation of DRR is not required for NBFC's when such debentures are issued on private placement basis by non-banking financial companies registered with the Reserve Bank of India under Section 45 (I) A of the RBI (Amendment) Act 1997. 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. Further, if during the tenor of the Debentures, any guidelines are formulated (or modified or revised) by any Governmental Authority in respect of creation of the DRR, the Company shall abide by such guidelines and shall do all deeds, acts and things as may be required by the Debenture Trustee.

2. ***Issue / Instrument specific regulations - relevant details (Companies Act, RBI Guidelines, etc.).***

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   ✓ The Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013

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- ✓ Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993
- ✓ Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- ✓ The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008 and Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012
- ✓ the Securities Contracts (Regulation) Act, 1956
- ✓ Securities and Exchange Board of India Act, 1992
- ✓ the Reserve Bank of India Act, 1934
- ✓ NBFC Directions

and the rules and regulations issued thereunder, including modifications to all of the foregoing.

3. **Application process-** As mentioned in Clause 11 in this Information Memorandum.

2. LEGAL INFORMATION

As on date, to best of knowledge of the Company, there are no legal proceedings filed against the Company in any legal forum in India.

3. ANY MATERIAL EVENT/ DEVELOPMENT OR CHANGE

Save as stated elsewhere in this Information Memorandum, in the opinion of the of the Directors of the Company, there have been no material developments after the date of the last audited / un-audited financial statements as disclosed in this Information Memorandum, 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.

4. PARTICULARS OF THE DEBT SECURITIES ISSUED FOR CONSIDERATION OTHER THAN CASH

The Company has not issued any debt securities for consideration other than cash, whether in whole or part, at a premium or discount or in pursuance of an option.

5. PERMISSION / CONSENT FROM THE PRIOR CREDITOR FOR A SECOND OR PARI PASSU CHARGE BEING CREATED, WHERE APPLICABLE, IN FAVOR OF THE DEBENTURE TRUSTEE

The Company is not required to obtain any prior permission from its lenders for creation of exclusive charge in favour of the Debenture Trustee for the Issue issued under this Offer Document and the Debenture Trust Deed.

6. TERMS PERTAINING TO THE ISSUE

a) RATING RATIONALE

CARE Ratings Limited has assigned credit rating of **CARE AA-** for the NCDs of INR 50 Crores (Rupees Fifty Crores) to be issued by the Company under this document. A copy of the rating letter issued by CARE Ratings Limited is enclosed as Annexure 3.

b) SUMMARY TERM SHEET SHALL BE PROVIDED WHICH SHALL INCLUDE AT LEAST FOLLOWING INFORMATION (WHERE RELEVANT) PERTAINING TO THE SECURED / UNSECURED NON CONVERTIBLE DEBENTURES (OR A SERIES THEREOF)

Security Name	------ Hinduja Leyland Finance Limited ------
Issuer	Hinduja Leyland Finance Limited (HLF/ The Company/ Issuer)
Type of Instrument	Rated, Listed, Unsecured, Subordinated, Redeemable Dematerialised Non- Convertible Debentures (NCDs)
Nature of Instrument	Unsecured
Seniority	Subordinated

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Mode of Issue	Private placement
Eligible Investors	• Scheduled Commercial Banks; • Financial Institutions; • Insurance Companies; • Primary/ State/ District/ Central Co-operative Banks (subject to permission from RBI); • Regional Rural Banks; • Mutual Funds; • Companies, Bodies Corporate authorized to invest in Debentures; • Provident Funds, Gratuity, Superannuation & Pension Funds, subject to their Investment guidelines; • Trusts; • The persons set out in Section 8(b) below; or • Any other investor category eligible to invest subject to current applicable rules, act, laws etc.
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	The debentures will be listed on Capital Market segment of Bombay Stock Exchange / National Stock Exchange. In case of delay in listing of the debentures beyond 4 trading days from the Issue close date or the debentures are delisted, the company will pay a penal interest of 2% p.a. over the coupon rate from the deemed date of allotment till the listing/ re-listing of the Debt Securities to investors.
Rating of the Instrument	"CARE AA-" by CARE Rating Limited
Issue Size	Rs. 50,00,00,000 (Rupees Fifty Crores)
Face Value	Rs 10,00,000/- (Rupees Ten Lakhs Only)
Redemption Price	At Par - Rs. 10,00,000/- (Rupees Ten Lakhs Only)
Option to retain oversubscription (Amount)	Not applicable
Objects of the issue & details of the utilization of the proceeds	The proceeds of the issue will be used for onward-lending in the regular course of business and other general corporate purpose
Coupon Rate	9.70% payable on an annual basis
Step Up/Step Down Coupon Rate	Not applicable
Coupon Payment Frequency	Yearly
Coupon Payment Dates	As per Annexure 2
Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	Not applicable
Day Count Basis	Actual / Actual Interest payable on Debentures will be calculated on the basis of actual number of days elapsed in a year of 365 or 366 days as the case may be i.e. Actual/ Actual
Interest on Application Money	NIL. However, if the Issuer fails to allot the Debentures to the Applicants within 2 (two) calendar days from the date of receipt of the Application Money ("Allotment Period"), then at a coupon rate, (subject to deduction of tax at source, as

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	applicable) from the date of realization of cheque(s) / demand draft(s) / date of receipt of funds.
Default Interest Rate	In case of default of payment of interest and / or principal redemption on the due date, additional interest @ 2% p.a. over the Coupon Rate will be payable by the Issuer from the date of the occurrence of such default until the default is cured or the NCDs are redeemed pursuant to such default, as applicable
Tenor	66 months from the Deemed Date of Allotment (as set out in Annexure 2)
Put / Call option	Not Applicable
Redemption Date	19 January 2027
Redemption Amount	The sum of the principal amounts outstanding under the Debentures
Redemption Premium/Discount	Not applicable
Discount at which security is issued and the effective yield as result of such discount.	Not Applicable
Put Date & Price	Not Applicable
Call Date & Price	Not Applicable
Put Notification Time	Not Applicable
Call Notification Time	Not Applicable
Minimum Application and in multiples of Debt Securities thereafter	Minimum of 1 Debenture and in multiples of 1 Debenture thereafter. It is clarified that the potential Investor shall not be entitled to purchase a fraction of a Debenture
Issue Timing	Issue Opening Date: 16th July, 2021 Issue Closing Date: 16th July, 2021 Pay-in Date: 19th July, 2021 Deemed Date of Allotment: 19th July, 2021
Manner of Bidding	Close Book Bidding
Mode of Allotment	Uniform Yield
Mode of Settlement	ICCL Mechanism
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	By Cheque(s) / demand draft(s) / e-payment or any other mode which is permissible
Depository	NSDL/CSDL
Business Day Convention	Means a day (other than a Sunday or a Bank holiday) on which banks are open for general business in Mumbai and Chennai. If any due date falls on a day which is not a Business Day, the payment to be made on such due date shall be made on the immediately succeeding Business Day, except if such due date is for the payment of principal, in which case the payment to be made on such due date (including accrued Coupon) shall be made on the immediately preceding Business Day. The foregoing is subject to any directions,

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	notifications or instructions issued by the Securities and Exchange Board of India
Record Date	15 business days prior to each Coupon Payment / Redemption date
Holiday convention	FIMMDA
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, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Information Memorandum.	Not applicable
Transaction Documents	Including but not limited to the following documents: • Consent letter from Trustee to act as Trustee to the Bondholders • Valid Rating letter • In-principle approval letter for listing from BSE • Debenture Trust Agreement • Private placement Offer Letter • Information Memorandum or Shelf Disclosure Document as applicable • Debenture Trust Deed • Undertaking/Certificate from the Issuer mentioning all the borrowing facilities of the Company are standard in nature • Any others prescribed by the Debenture Trustee or as may be agreed between the parties. All transaction documents will comply with the requirements prescribed by the RBI, SEBI and under the Companies Act, 2013 (as applicable) for the issuance of non-convertible debentures.
Issuer's Undertaking	The Issuer undertakes that it has executed/ shall execute the documents including but not limited to the following in connection with the Issue: 1. Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form; 2. Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form; 3. Letter appointing Integrated Registry Management Services

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	Limited as Registrar and MoU entered into between the Issuer and the Registrar;

Conditions Precedent to Disbursement	The Company shall fulfill conditions precedent customary for issuance of this nature, including but not limited to:
	• HLF will meet all the regulatory requirement pertaining to NBFCs
	• Credit Rating of [AA-/A1+] by by CARE Rating Ltd
	• In-principal listing approval from the stock exchange
	• Consent Letter from the Debenture Trustee
	• Execution of Information Memorandum, Rating Letter, Consent letter from Debenture Trustee, Appointment of Registrar and Transfer Agent, Tripartite agreement
	• The Issuer shall have obtained all necessary resolutions viz board resolution, shareholders' resolution etc. under provisions of the Companies Act, 2013 (including the Rules) as are required in relation to the issue of the Debentures, the appointment of the Debenture Trustee and the execution of necessary documents in connection therewith.
	• No Event of Default by Issuer;
	• There is no material adverse effect and there are no circumstances existing which could give rise, with the passage of time or otherwise, to a material adverse effect on the Issuer.
	• There is no winding up proceedings, or governmental proceeding (including any criminal proceedings) pending against any individual / company of the Promoter Group and the Promoter Group is not aware of any such proceeding being threatened
	• Certificate from the company signed by director/ Company secretary certifying:
	  ○ Company and directors have necessary powers to borrow money pursuant to issue of debentures and no limits are being breached pursuant to the borrowing
	  ○ Absence of default
	All reps are true and valid

Conditions Subsequent to Issuance	The Company shall fulfill conditions subsequent within the prescribed timelines customary for issuance of this nature, including but not limited to: • Listing of the Debentures on the Stock Exchange • Executed Debenture Trust Deed and filing of PAS-3, PAS-5 etc as per prescribed timelines • Credit demat account of the allottees with the NCDs within 2 days of deemed date of allotment • Form 10 duly signed together with copy of MCA Challan evidencing filing of the same with MCA • Compliance with applicable law (including SEBI regulations) The issuer shall continue to meet the extant RBI requirements related to Capital Adequacy, NPA Recognition, and provisioning throughout the term of this transaction.
Covenants	The Company shall provide covenants customary for issuance of this nature, including but not limited to:

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	• Credit covenants linked to Capital Adequacy, Asset Quality (including NPA levels), Leverage, networth etc. to be finalized post credit due diligence but prior to payin/disbursement date • Issuer confirms that during the currency of captioned NCDs, Hinduja Group, directly or indirectly would retain the management control and shareholding above 51% in the Issuer. In case it goes below issuer will seek prior approval • No merger, demerger, consolidation, re-organization, amalgamation, restructuring, - without prior consent of Investors • No reduction in share capital without prior consent of Investors - Additional Covenants: • HLF agrees that its obligations hereunder and under the relevant Legal Document are and will be absolute, irrevocable and unconditional and confirms the due and prompt observance, performance and full discharge of such covenants, agreements, obligations and liabilities in accordance with and subject to the terms and conditions contained herein and in the Legal Documentation. • HLF shall defend and hold the Investor, harmless from and against any and all damages incurred by it as a result of, arising from, or in connection with or relating to (i) any matter inconsistent with, or any breach of, the representations and/or warranties made by HLF herein or in the Legal Documentation; or (ii) the non-performance (in whole or in part) by HLF of any of its covenants, obligations or agreements contained herein or the Legal Documentation.
Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)	Customary to a transaction of such nature, including but not limited to : • Non-payment of Coupon or Face Value or Redemption Premium on the due date. • Non-payment of the investor dues by the Company (if acting as a Guarantor) • Cross default – Other than default under the present issue, if the issuer is in default under the terms and conditions of any issuances/obligations under other facilities and receives such notice of event of default from such lender/investor, then that shall also constitute an event of default under the present issue as well • Insolvency or winding-up (whether voluntarily or compulsorily) of the issuer • Breach of any covenant; • If HLF voluntarily or compulsorily goes into liquidation or ever has a receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other law providing protection as a relief undertaking; • If HLF commences a voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law now or hereafter in effect, or admits inability to pay its respective debts as they fall due, or consents to the entry of an order for relief in an involuntary proceeding under any such law, or consents to the appointment of or

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	the taking of possession by a receiver, liquidator, assignee (or similar official) for any or a substantial part of its respective property; • If a petition is filed for the winding up of HLF • Breach of any representations and/or warranties or covenants contained any Transaction Document, • In the event that any legal proceedings or governmental proceedings are initiated against HLF or claims are made against HLF, which in the opinion of the Debenture Trustee, may impair HLF's ability to perform this their respective obligations undertaken in terms of the Transaction Documents, if either the reliefs sought under the legal or governmental proceedings initiated against HLF or the claims made against HLF are granted. • In the event of threat of institution or initiation of any criminal proceedings or any such governmental proceedings by any regulatory authorities on any of the directors, key management personnel of the companies forming part of the same group of companies as the Company or the Company. • Material alteration in the shareholding pattern of the company without prior approval of the investors through the debenture trustee
Creation of recovery expense fund	As may be directed by the relevant laws and the Board
Conditions for breach of covenants (as specified in Debenture Trust Deed)	As specified in the Debenture Trust Deed
Provisions related to Cross Default Clause	The Issuer: (a) defaults in any payment of any Financial Indebtedness; (b) defaults in any payment obligation under any contract (apart from payment obligations arising under any Financial Indebtedness) which are not disputed; or (c) the holder of any Financial Indebtedness accelerating such Financial Indebtedness prior to its stated maturity.
Implications of Event of Default	Customary to a transaction of such nature, including but not limited to : • In the event of happening of any of the Event of Default, the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall be entitled to issue a notice, in writing, to the Issuer accelerating all the payments outstanding in respect of the Debentures and the Issuer will have to pay principal along with accrued interest (both coupon and penalty, if any), within - 7 days calendar days of the date of receipt of the relevant notice. However the claim will remain subordinated as will be governed as per the rule laid by RBI guidelines on subordinated debt. • Provided further that no notice shall be required to be provided by the Debenture Trustee/ the Debenture Holders to the Issuer and no additional time period shall be provided in case of payment default

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Majority Debenture Holder	Debenture Holders whose participation or share in the principal amount(s) outstanding with respect to the Debentures aggregate to 51% (Fifty One per cent) or more of the value of the nominal amount of the Debentures for the time being outstanding
Information Dissemination	• The Issuer undertakes to provide information pertinent to a credit assessment of the company by the arranger/potential investors in a timely fashion. This information will include, but not be limited to, latest financial information, rating letter, rating rationale, debt-maturity profile, copies of the resolutions authorizing the borrowing, latest company profile etc. • The Issuer shall also extend its full support for convening investor meetings with the senior management of the Issuer. • Company to provide the monthly asset cover data / certificate • On quarterly basis, company to provide following Actual data (for Covenant Testing) – this can be Quarterly CA Certificate detailing: i. Loan Book size and breakup (AUM Basis) ii. CRAR% iii. Rating level iv. "Hinduja Group" shareholding – actual percentage as on quarter end v. Standalone Leverage (quarter ending) vi. Standalone basis: Gross NPA in Rs. crore, Gross NPA %, Net NPA in Rs. crore, Net NPA% (as per RBI defn.) vii. Standalone basis: PBT (for the last Quarter) viii. Standalone basis: EBIT / Gross Interest
Role and Responsibilities of Debenture Trustee	In addition to the powers conferred on the Debenture Trustee in the Debenture Trust Deed and Applicable Law, and without limiting the liability of the Debenture Trustee, it is agreed as follows: (a) the Debenture Trustee may, in relation to the Debenture Trust Deed and 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 Company or by the Debenture Trustee or otherwise and shall not be responsible for any loss occasioned by so acting. PROVIDED THAT the Debenture Trustee shall at all times act with due care and diligence before relying upon any advice, opinion, information and communication received by it from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert its attorney, representative or receiver; (b) subject to the approval of the Debenture Holders by way of Special Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall,

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		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;
	(c)	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 the same 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;
	(d)	with a view to facilitating any dealing under any provisions of the Transaction Documents, subject to the Debenture Trustee obtaining the consent of the Special 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), (ii) to determine all questions and doubts arising in relation to the interpretation or construction any of the provisions of the Debenture Trust Deed, and (iii) to take any action on behalf of the Debenture Holders;
	(e)	the Debenture Trustee and every receiver, attorney, manager, agent or other person appointed by them shall, subject to the provisions of the Act, be entitled to be indemnified by the Company in respect of all liabilities and expenses incurred by them in the execution or purported execution of the powers and trusts thereof;
	(f)	the Debenture Trustee shall submit to the RBI and SEBI such information as required by them from time to time; and
	(g)	the Debenture Trustee shall forward to the Debenture Holders copies of any information, documents from the Company pursuant to the Debenture Trust Deed within 2 (two) Business Days of receiving any of the foregoing from the Company.
	PROVIDED THAT nothing contained in this Clause shall exempt the Debenture Trustee or any receiver, attorney, manager, agent or other person appointed by the Debenture	

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	Trustee from or indemnify them against any liability for breach of trust nor any liability which by virtue of 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. The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustees by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws. The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship Agreement, Disclosure Document and all other related transaction documents, with due care, diligence and loyalty.
Risk factors pertaining to the issue	As covered under the section Management's Perception of Risk Factors of this Information Memorandum
Governing Law and Jurisdiction	The Issue and the Information Memorandum shall be governed by and construed in accordance with the laws of India. The courts and tribunals at Mumbai, India shall have exclusive jurisdiction to settle all disputes.

7. TRANSACTION DOCUMENTS AND KEY TERMS

7.1 Transaction Documents

The following documents shall be executed in relation to the Issue ("**Transaction Documents**"):

(a) Debenture Trustee Agreement, which will confirm the appointment of IDBI Trusteeship Services Ltd as the Debenture Trustee ("**Debenture Trustee Agreement**");

(b) Debenture Trust Deed, which will set 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 ("**Debenture Trust Deed**" or "**DTD**");

(c) Such other documents as agreed between the Issuer and the Debenture Trustee.

7.2 Representations and Warranties

The Issuer makes the representations and warranties set out in this Section 7.2 to the Debenture Trustee for the benefit of the Debenture Holders as on the dated of the Debenture Trust Deed, which representations shall be deemed to be repeated on each Due Date until the Final Settlement Date.

1. **Status**

(a) It is a company, duly incorporated, registered and validly existing under Applicable Law.
(b) It is a non-deposit accepting or holding non-banking financial company registered with the RBI.
(c) It has the power to own its assets and carry on its business as it is being conducted.

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2. **Binding obligations**

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

3. **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:

(a) any Applicable Law;
(b) its Constitutional Documents; or
(c) any agreement or instrument binding upon it or any of its assets.

4. **Power and authority**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by such Transaction Documents

5. **Validity and admissibility in evidence**

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

(a) 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;
(b) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and
(c) for it to carry on its business, and which are material, have been obtained or effected and are in full force and effect.

6. **No default**

(a) 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.
(b) 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.
(c) The issuance of the Debentures would not result in any breach of Applicable Law (including without limitation, the NBFC Directions).

7. **Pari passu ranking - NA**

8. **No proceedings pending**

Except as disclosed by the Issuer in the Information Memorandum, annual reports and financial statements, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency have been started against the Issuer, which if adversely determined, may have a Material Adverse Effect.

9. **No misleading information**

All information provided by the Issuer to the Debenture Trustee/Debenture Holders for the purposes of this

Issue is true and accurate in all material respects as at the date it was provided or as at the date at which it is stated (if any).

10. **Compliance**

(a) The Issuer has complied with Applicable Law.

(b) 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, anticipated against the Issuer which would have a Material Adverse Effect on the Issuer.

11. **Assets**

Except for the security interests and encumbrances created and recorded with the ROC and updated from time to time, the 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.

12. **Financial statements**

(a) Its latest financial statements provided to the Debenture Trustee were prepared in accordance with Indian GAAP consistently applied save to the extent expressly disclosed in such financial statements.

(b) Its latest financial statements 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.

13. **Solvency**

(a) 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.

(b) The Issuer has not been deemed by a court to be unable to pay its debts for the purposes of Applicable Law.

(c) The Issuer will not become unable to pay its debts for the purposes of Applicable Law as a consequence of entering into the Debenture Trust Deed or any other Transaction Document.

(d) The Issuer, whether 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.

(e) The Issuer has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any insolvency proceedings.

(f) No insolvency process has commenced under Applicable Law in respect of the Issuer.

(g) 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 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").

7.3 Financial Covenants

(a) The capital adequacy ratio shall be maintained at a minimum of the levels stipulated by the RBI at all points in time (currently 15.0%).

(b) Net NPA (PAR 90 less provisions) on a standalone basis shall not exceed 6% of the Assets under Management of the Issuer.

"PAR 90" shall mean, on the Issuer's entire assets under management at any point of time, as the case may be, the outstanding principal value of the relevant portfolio of the Issuer that has one or more instalments of principal,

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interest, penalty interest, fee or any other expected payments overdue for 90 days or more, includes restructured loans but excludes loans that have been written off by the Issuer.

7.4 Reporting Covenants

The Issuer shall provide or cause to be provided to the Debenture Trustee and to the Debenture Holders, in form and substance reasonably satisfactory to the Debenture Trustee, each of the items set out in this Section 7.4.

1. As soon as available, and in any event within 90 calendar days after the end of each financial year of the Issuer:
   (a) certified copies of the audited consolidated and non-consolidated (if any) financial statements of the Issuer for its most recently completed financial year, prepared in accordance with Indian IND-AS;
   (b) the Constitutional Documents of the Issuer;
   (c) such additional information or documents as the Debenture Trustee and/or the Debenture Holder(s) may reasonably request.
2. As soon as practicable, and in any event within 90 Business Days after the Issuer obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute, litigation, investigation or other proceeding affecting the Issuer or its property or operations, which, if adversely determined, could result in a Material Adverse Effect.
3. As soon as practicable, and in any event within 90 Business Days after the Issuer obtains actual knowledge thereof, notice of the occurrence of any Event of Default.
4. As soon as practicable, and in any event within 90 Business Days after such prepayment, notice of any Financial Indebtedness of the Issuer declared to be due and payable, or required to be prepaid other than by a regularly scheduled required repayment, prior to the stated maturity thereof.
5. Without prejudice to any other provision of the Debenture Trust Deed:
   (a) forthwith, and in no case later than 90 Business Days of the occurrence of a change of Control; and
   (b) within 90 Business Days after the Issuer obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a change of Control.
6. The Issuer shall provide or cause to be provided to the Debenture Trustee, in form and substance reasonably satisfactory to the Debenture Trustee, such additional documents or information as the Debenture Trustee may reasonably request from time to time.

7.5 Affirmative Covenants

The Issuer shall undertake and fulfil the affirmative covenants set out in this Section 7.5.

1. **Notice of winding up or other legal process**
   Promptly inform the Debenture Trustee if it has notice of any application for winding up or insolvency process having been made or any statutory notice of winding up or insolvency process under the provisions of the Act or any other Applicable Law (including the Insolvency and Bankruptcy Code, 2016, if applicable) or any other notice under any other statute relating to winding up or insolvency process or otherwise of any suit or other legal process intended to be filed or initiated against the Issuer.
2. **Loss or damage by uncovered risks**
   Promptly inform the Debenture Trustee 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.
3. **Costs and expenses**
   Pay all 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.
4. **Payment of Rents, etc.**
   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 the same shall

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become payable.

5. **Preserve corporate status**

(a) Diligently preserve and maintain its corporate existence and status and comply with all authorisations, consents, permissions, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to its assets or any part thereof.

(b) The Issuer will 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 principal of or interest on the Debentures might or would be hindered or delayed.

6. **Pay stamp duty**

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.

7. **Furnish information to trustee**

(a) Inform, and provide, the Debenture Trustee with relevant documents and information in respect of any notice of any event of default or potential event of default (howsoever described).

(b) Furnish quarterly reports to the Debenture Trustee (as may be required in accordance with Applicable Law) containing the following particulars:

(i) updated list of the names and addresses of the Debenture Holders;

(ii) details of the interest due, but unpaid and reasons thereof;

(iii) 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;

(iv) notice of any Event of Default or Potential Event of Default; and

(v) any and all information required to be provided to the Debenture Holders under Applicable Law and/or the listing agreement to be entered into between the Issuer and the BSE.

8. **Redressal of Grievances**

Promptly and expeditiously 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.

9. **Comply with Investor Education and Protection Fund requirements**

(a) Comply with the provisions of the Act relating to transfer of unclaimed/unpaid amounts of interest on Debentures and redemption of Debentures to the Investor Education and Protection Fund ("**IEPF**"), if applicable to it.

(b) 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.

10. **Corporate Governance; Fair Practice Code**

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

11. **Further assurances**

(a) 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 by Applicable Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee.

(b) Comply with:

(i) all Applicable Law (including but not limited to environmental, social and taxation related laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time;

(ii) 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 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures; and

(iii) the provisions of the Act in relation to the Issue.

(c) Procure that the Debentures are rated and continue to be rated until the Final Redemption Date.

12. **Filings; Compliance with BSE requirements**

The Issuer hereby further agrees, declares and covenants with the Debenture Trustee that:

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(a) while submitting half yearly/annual financial results in accordance with Regulation 52 of the LODR Regulations, the Issuer shall file with the BSE for dissemination, along with a noting certificate of the Debenture Trustee, containing, *inter alia*, the following information:
   (i) credit rating (and any change thereto);
   (ii) debt to equity ratio accompanied with a certificate of a practicing chartered accountant confirming such debt to equity ratio;
   (iii) previous Due Date for the payment of interest/principal and whether the same has been paid or not; and
   (iv) next Due Date for the payment of interest/principal;
   (v) debt service coverage ratio (if required);
   (vi) interest service coverage ratio (if required);
   (vii) outstanding redeemable preference shares (quantity and value);
   (viii) debenture redemption reserve;
   (ix) net worth;
   (x) net profit after tax;
   (xi) earnings per share;

(b) in accordance with Regulation 52 of the LODR Regulations, the Issuer shall file with the BSE the prescribed statements, financial statements and noting certificate of the Debenture Trustee within the timelines prescribed therein;

(c) in accordance with Regulation 56 of the LODR Regulations, the Issuer shall submit the following to the Debenture Trustee:
   (i) a copy of the annual report at the same time as it is issued and a copy of the certificate from the Issuer's auditors in respect of utilisation of funds raised by the issue of the Debentures, at the same time or at the end of each financial year until such funds have been fully utilized or the purpose for which such funds were intended has been achieved;
   (ii) a copy of all notices, resolutions and circulars relating to any new issue of non-convertible debt securities (at the same time as they are sent to shareholders/holders of non-convertible debt securities), the meetings of holders of non-convertible debt securities (at the same time as they are sent to the holders of non-convertible debt securities or advertised in the media including those relating to proceedings of the meetings);
   (iii) intimations regarding any revision in the rating or any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Issuer or any failure to create charge on the assets; and
   (iv) a copy of the statement, if any filed with the BSE in compliance of Regulation 52(7) of the LODR Regulations indicating material deviations, if any, in the use of funds raised by the issue of the Debentures from the object stated in the Information Memorandum;

(d) in accordance with Regulation 58 of the LODR Regulations, the Issuer shall furnish the following to the Debenture Holders in the manner prescribed therein:
   (i) physical copies of full annual reports to those Debenture Holders who request the same;
   (ii) notice of all meetings of the Debenture Holders specifically stating that the provisions for appointment of proxy in accordance with Section 105 of the Act shall be applicable for such meeting; and
   (iii) proxy forms for the Debenture Holders clearly providing the Debenture Holders to vote for each resolution in such a manner that they may vote either for or against each resolution.

7.6 Negative Covenants

The Company hereby covenants with the Debenture Trustee that the Company shall not, for so long as any amount remains outstanding under the Debentures, (except as may otherwise be previously agreed to in writing by the Debenture Trustee (acting upon the receipt of the prior written approval of the Majority Debenture Holder(s)):

a) Change the general nature and conduct of its business from that which is permitted

b) Engage in or undertake any corporate restructuring, re-organisation and / or re-capitalisation of any sort including but not limited to merger, spin-offs, demerger, consolidation, reorganisation,

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amalgamation, reconstruction, capital reduction and liquidation, except as permitted under the Transaction Documents.

c) Enter into any material compromise or arrangement or settlement with any of its creditors that would prejudicially affect the interests of the Debenture Holder(s).

d) Make any amendments the constitutional documents an in a manner which would prejudicially affect the interests of the Debenture Holder(s).

e) Declare or pay any dividend to its shareholders during any financial year unless (i) it has paid the amounts then due and payable on the Debentures, or has made provisions satisfactory to the Debenture Trustee for making such payments.

f) Wind-up, liquidate or dissolve its affairs.

g) Dilute/ change/ transfer the shareholding of the Company that results in Hinduja Group's shareholding falling below 51% or change in Management Control of the Company.

"Management Control" with relation to the Company shall mean -

a) holding by any person directly or indirectly of more than 50% of the voting share capital of the Company and ability of that person to direct or cause direction of the management and policies of the Company, whether by operation of law or by contract or otherwise; or

b) the ability of that person to appoint or cause the appointment of more than 50% of the directors on the Board of the Company and ability of that person to direct or cause direction of the management and policies of the Company, whether by operation of law or by contract or otherwise;

c) Declare any dividend on its share capital or pay interest on loans/ quasi equity from Promoters, associate companies and/or strategic investors, if:

i. if the Issuer fails to meet its obligations to pay interest and/or installments and/or other monies due to the Debenture Holders which shall have become due and as long as it is in such default; or
ii. If an Event of Default has occurred and is continuing; or
iii. Issuer is not in compliance of the Financial Covenants; or
iv. If the Restricted Payments are not permitted under Applicable Laws.

7.7 Events of Default

(a) **Payment Defaults**

The Issuer does not pay on any Due Date any amount payable pursuant to the Debenture Trust Deed 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 30 Business Days of relevant Due Date.

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

The Issuer is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.

(c) **Business**

The Issuer without obtaining the prior consent of the Special Majority Debenture Holders ceases to carry on its business or gives notice of its intention to do so.

(d) **Change of Control**

A change of Control occurs without the prior written consent of the Special Majority Debenture Holders.

(e) **Financial Covenants**

The Issuer breaches one (or more) of the financial covenants prescribed in Section 7.3 above and such breach continues unremedied for 90 Business Days of occurrence, unless waived by the Debenture Trustee (with the prior consent of the Majority Debenture Holders) by way of a written intimation.

(f) **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 proves to have been incorrect, false or misleading in any material respect when made or deemed to be made.

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(g) **Material Adverse Effect**

A Material Adverse Effect occurs and is continuing.

(h) **Liquidation or Dissolution of the Issuer / Appointment of Receiver or Liquidator**

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

(i) the suspension of payments, a moratorium of any 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;

(iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Issuer;

(iv) the Issuer, in respect of any reference or enquiry or proceedings commenced, 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");

(v) the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) 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 under any Applicable Law that would have an effect analogous to any of the events listed in sub-Clauses (i) to (vi) above.

(i) **Cross Default**

The Issuer:

(i) defaults in any payment of any Financial Indebtedness;

(ii) defaults in any payment obligation under any contract (apart from payment obligations arising under any Financial Indebtedness) which are not disputed; or

(iii) the holder of any Financial Indebtedness accelerating such Financial Indebtedness prior to its stated maturity.

(j) **Creditors' Process**

Any expropriation, attachment, garnishing, sequestration, distress or execution affects any asset or assets of the Issuer and has a Material Adverse Effect and is not stayed or discharged within 120 Business Days of occurrence or as otherwise provided in any order of any competent court or tribunal relating to the aforementioned actions.

(k) **Unlawfulness**

It is or becomes unlawful 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**

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

(m) **Breach of Terms**

A breach by the Issuer of any of its representations, obligations and covenants provided in terms of the Debenture Trust Deed or the other Transaction Documents (other than sub-paragraphs (a) to (o) above), and is not rectified within 30 (thirty) days of occurrence or such other time period as may be agreed with the Debenture Holders.

8. APPLICATION PROCESS

a) HOW TO APPLY

The Issue will open on the issue opening date and close on the issue closing date (both days inclusive) as stated herein below. Potential investors who wish to invest in the Issue are requested to submit an application for the Debentures with all the accompanying documents and the application money at any time starting from the issue opening date and up to the issue closing date.

The Company shall pay interest on the application money at the rate to be set out herein. On the issue closing date, the cut-off time for submitting the application along with the accompanying documents and the application money is 2:00 pm, if application money is credited through RTGS. Applications for the Debentures must be made in the Application Form and must be completed in block letters in English by investors. The full amount

For HINDUJA LEYLAND FINANCE LTD.

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of the Face Value applied for has to be paid along with the delivery of the fully completed and executed Application Form together with other applicable documents described below.

b) WHO CAN APPY

Only eligible investors who have been addressed through a communication directly by the Company can apply. No person who has not received a direct communication from the Company may apply in this Issue. The following categories of investors, when specifically approached, are eligible to apply for this Private Placement of Debentures.

- Multilateral development banks
- Companies
- Banks and NBFCs
- Individuals, HUFs, and Partnerships
- Financial Institutions and Insurance companies
- Mutual Funds
- Foreign Institutional Investors registered with SEBI and having adequate corporate debt limits
- Qualified Foreign Investors

Any other investor authorized to invest in these Debentures. All Investors are required to comply with the relevant regulations / guidelines applicable to them for investing in this issue of Debentures. Foreign Institutional Investors are allowed to purchase the Debentures on the secondary market subject to applicable law.

c) PERMANENT ACCOUNT NUMBER

The applicants should mention the PAN allotted under Income Tax Act, 1961 and the IT Circle / Ward / District should be mentioned in the prescribed Application Form. Applications which are not in compliance with the above requirement shall be liable to be rejected.

d) KYC (KNOW YOUR CUSTOMER)

The applicants should submit the required KYC documents as prescribed by RBI along with the Applications Forms. Applications which are not in compliance with the above requirement shall be liable to be rejected.

e) SUBMISSION OF COMPLETED APPLICATION FORM

All applications duly completed and accompanied with necessary documents are to be submitted to the Company at its Registered Office.

f) PROCEDURE FOR APPLICATIONS

Applications for the Debentures must be made in the prescribed Application Form set out in Annexure I hereof, and must be completed in block letters in English by investors. Completed Application Forms must be submitted as mentioned above. The issue price of the Debentures applied for has to be paid along with the delivery of the fully completed and executed Application Form together with other applicable documents described below:

The application must be accompanied by copies of (i) FII Registration Certificate, (ii) Power of Attorney, if applicable, (ii)Specimen signatures of authorized signatories. The subscription amount shall be made by way of RTGS / NEFT to the account as mentioned in Clause 10 (e) (iii) above.

g) RIGHT TO ACCEPT / REJECT APPLICATIONS

The Issuer is entitled at its sole and absolute discretion to accept or reject any application, in part or in full, without assigning any reason. Application Forms which are incomplete or which do not fulfil the terms & conditions indicated on the back of the Application Form are liable to be rejected.

h) COMPLIANCE OFFICER

In case of any Pre-Issue / Post-Issue related problems such as non-receipt of Letters of Allotment / refund orders etc., the Investors are requested to contact the Compliance Officer as given below:

For HINDUJA LEYLAND FINANCE LTD.

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B Shanmugasundaram
Company Secretary and Compliance Officer
27-A, Developed Industrial Estate, Guindy, Chennai – 600032
Tel: 044-39252523
Email ID: compliance@hindujaleylandfinance.com

i) DEPOSITORY ARRANGEMENT

The Company has appointed Integrated Registry Management Services Ltd.as Registrar and Transfer Agents for the Debenture issuance. Hinduja Leyland Finance Limited has entered into depository arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Any communication to the Registrar and Transfer Agent shall be sent to the below mentioned address:

Mr. S Yuvaraj
Integrated Registry Management Services Private Limited
2nd Floor, Kences Towers, No. 1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai - 600 017
Tel: 044 - 28140801 to 28140803; Fax:044 – 28142479
Email: yuvraj@integratedindia.in
Website: www.integratedindia.in

j) PURCHASE / RE-ISSUE OF DEBENTURES / CANCELLATION OF DEBENTURES

The Company may, at any time and from time to time, purchase Debentures at a discount, at par, or at a premium, in the open market or otherwise in accordance with the applicable laws. Such Debentures may, at the option of the Company, be cancelled, held or reissued at such a price and on such terms and conditions as the Company may deem fit and as permitted by law..

k) REGISTER OF DEBENTURE HOLDERS

A Register of Debenture Holders shall be maintained in accordance with Section 88 of the Act and the Register of Debenture Holders/the Register of Beneficial Owners shall be closed within the Record Date.

l) CONFLICT

In case of any inconsistency where there is a conflict between the conditions as stipulated in this Information Memorandum and the Debenture Trust Deed, the provisions of the Debenture Trust Deed shall prevail and override the provisions of this Information Memorandum. The Issuer agrees, upon request in writing from the Trustee, to issue any supplementary Information Memorandum and ensure that this is consistent with the terms and conditions set out in the Debenture Trust Deed.

m) DEBENTURE CASH FLOWS

As Provided in Annexure - 2

9. DISCLOSURE PERTAINING TO WILFUL DEFAULTS – N.A.

Name of the bank declaring the entity as a wilful defaulter	
The year in which the entity is declared as a wilful defaulter	
Outstanding amount when the entity is declared as a wilful defaulter	
Name of the entity declared as a wilful defaulter	
Steps taken, if any, for the removal from the list of wilful defaulters	

For HINDUJA LEYLAND FINANCE LTD.

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Other disclosures as deemed fit by the issuer in order to enable the investors to make informed decisions	
Any other disclosure as specified by the board	

For HINDUJA LEYLAND FINANCE LTD.

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10. DECLARATION

It is hereby declared that:

(a) this Information Memorandum contains full disclosures in accordance with the Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008 and Form PAS 4 (Pursuant to Section 42 of Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014);

(b) the Issuer also confirms that this Information Memorandum does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made misleading. The Information Memorandum also does not contain any false or misleading statement;

(c) the Issuer accepts no responsibility for the statement made otherwise than in this Information Memorandum or in any other material issued by or at the instance of the Issuer and that any one placing reliance on any other source of information would be doing so at his own risk;

(d) the Issuer has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(e) the compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of the Debentures if applicable is guaranteed by the Central Government; and

(f) the monies received under the Issue shall be used only for the purposes and objects indicated in this Information Memorandum.

As per resolution of the Board of Directors dated 20th June, 2020, Mr. S. Nagarajan, Whole Time Director and Executive Vice Chairman, Mr. Sachin Pillai, Managing Director or Mr. Kishore Lodha, Chief Financial Officer have been severally authorized to issue the Information Memorandum and declare that all the requirements of the 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 form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form 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 form

For Hinduja Leyland Finance Limited,

Mr. Kishore Lodha

Chief Financial Officer

Date: 12th July, 2021

Place: Chennai

Attachments:

I. Annexure 1: Application Form

II. Annexure 2: Proposed Cash Flows

III. Annexure 3: Rating Letter

IV. Annexure 4: Debenture Trustee Consent Letter

V. Annexure 5: Extract of Board Resolution of the Company in relation to the particulars of this Offer.

VI. Annexure 6: Abridged version of Audited Standalone Financial Information

For HINDUJA LEYLAND FINANCE LTD.

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ANNEXURE 1 - APPLICATION FORM

Serial No. [ ]

HINDUJA LEYLAND FINANCE LIMITED

A public limited company incorporated under the Companies Act, 1956

Date of Incorporation: 12th November 2008

Registered Office: 1, Sardar Patel Road, Guindy, Chennai 600 032, Tamil Nadu, India

Telephone No.: +91 44 3925 2525

Website:http://www.hindujaleylandfinance.com

DEBENTURE SERIES APPLICATION FORM SERIAL NO.									

ISSUE OF UPTO 500 RATED, LISTED, UNSECURED, SUBORDINATED , REDEEMABLE, TAXABLE, TRANSFERABLE NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 10,00,000 (INDIAN RUPEES TEN LAKHS EACH AND THE AGGREGATE FACE VALUE OF INR 50,00,00,000 (INDIAN RUPEES FIFTY CRORES) FOR VALUE AT PAR, IN DEMATERIALISED FORM ON A PRIVATE PLACEMENT BASIS ("THE ISSUE")

DEBENTURE SERIES APPLIED FOR:

Number of Debentures.....In words .....

Amount Rs.

DETAILS OF PAYMENT:

RTGS

No. _____ Drawn on_____

Funds transferred to Hinduja Leyland Finance Limited

Dated _____

Total Amount Enclosed

(In Figures) _____ (In words) _____

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 (x) COMPANY ( ) OTHERS ( ) SPECIFY

We have read and understood the terms and conditions of the issue of Debentures including the risk factors described in the information memorandum dated 23 April 2021 (**"Information Memorandum"**) and have considered these in making our decision to apply. We bind ourselves to the terms and conditions of the Information Memorandum and wish to apply for allotment of these 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 Company in dematerialised form. Details of my/our Beneficial Owner Account are given below:

a.
b.

DEPOSITORY	**NSDL () CDSL ( )**
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account : (Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	Beneficiary Bank Name: Account No: IFSC Code: Branch:

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 Information Memorandum is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer, and other intermediaries and their agents and advisors associated with this Issue. 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.

For HINDUJA LEYLAND FINANCE LTD.

AUTHORISED SIGNATORY

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) the Applicant 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 Company 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)

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

- ACKNOWLEDGMENT SLIP

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

Received from _____
Address_____
_____
Cheque/Draft/UTR # _____ Drawn on _____ for Rs. _____
on account of application of _____ Debenture

For HINDUJA LEYLAND FINANCE LTD.

AUTHORISED SIGNATORY

INSTRUCTIONS

1. Application forms 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. Cheque(s)/Demand Draft(s) should be drawn in favour of **"Hinduja Leyland Finance Limited"** and crossed **"A/C Payee Only"** Cheque(s)/Demand Draft(s) may be drawn on any scheduled bank and payable at Mumbai. The payment can also be made through RTGS as per the following details:

Beneficiary name	**Hinduja Leyland Finance Limited**
Beneficiary account no.	30670258589
Bank	State Bank of India
Branch and Address	State Bank of India CAG Branch 3rd Floor, Sigappi Aachi Buildings 18/3 Rukmani Lakshmipathi Road Chennai – 600 008
Account type	Current
IFSC code	SBIN0009999

The Company 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 company 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 Company 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 Scheme outlined in the transaction documents for the private placement.

PART – B

(To Be filled by the applicant)

(i) **Name:**
(ii) **Father's Name:**
(iii) **Complete Address:**
(including Flat/House Number Street Locality Pin Code)
(iv) **Phone Number if any:**
(v) **Email ID if any:**
(vi) **PAN Number:**
(vii) **Bank Account Details:**

For HINDUJA LEYLAND FINANCE LTD.

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Signature

Initial of the officer of the Company designated to keep the record

ANNEXURE 2 - ILLUSTRATION OF DEBENTURE INDICATIVE CASH FLOWS

INTEREST PAYMENT DATES

INTEREST PAYMENT DATE	INTEREST DUE (IN INR)
Tuesday, 19 July, 2022	4,85,00,000
Wednesday, 19 July, 2023	4,85,00,000
Friday, 19 July, 2024	4,85,00,000
Saturday, 19 July, 2025	4,85,00,000
Sunday, 19 July, 2026	4,85,00,000
Tuesday, 19 January, 2027	2,44,49,315

REDEMPTION SCHEDULE

DATE	NATURE OF PAYMENT	AMOUNT DUE (IN INR)
Tuesday, 19 January, 2027	Redemption of principal	50,00,00,000

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CARE Ratings
Professional Risk Opinion

CARE/CRO/RL/2021-22/1107

Shri Kishore Lodha
Chief Financial Officer
Hinduja Leyland Finance Limited
No.27 A, Developed Industrial Estate,
Guindy,
Chennai,
Tamil Nadu - 600 032

June 30, 2021

Confidential

Dear Sir,

Credit rating for Subordinated debt issues

Please refer to our letter nos. **CARE/CRO/RL/2021-22/1008** dated April 12, 2021, **CARE/CRO/RL/2021-22/1019** dated April 22, 2021 and your request for revalidation of the rating assigned to the Subordinated debt issues of your company, for a limit of Rs.400 crore.

2. The following ratings have been reviewed:

Sl. No.	Instrument	Amount (Rs. crore)	Rating[1]	Rating Action
1	Subordinated Debt issue-V	200[$]	**CARE AA-; Stable** (Double A Minus; Outlook: Stable)	**Reaffirmed**
2	Subordinated Debt issue-VI	200[&]	**CARE AA-; Stable** (Double A Minus; Outlook: Stable)	**Reaffirmed**
	Total Instruments	**400 (Rs. Four hundred Crore only)**		

[$]*Unutilised portion of Rs.25 crore as on June 28, 2021*
[&]*Unutilised portion of Rs.150 crore as on June 28, 2021*

3. The proposed Subordinated debt issues would have tenure of upto 10 Years.
4. Please arrange to get the rating revalidated, in case the proposed issue is not made within six months from the date of this letter.

[1]*Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.*

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 Trustee/IPA	Details of top 10 investors

6. CARE 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.
7. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE 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 so as to enable it to carry out continuous monitoring of the rating of the debt instruments, CARE shall carry out the review on the basis of best available information throughout the life time of such instruments. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
8. 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.
9. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
10. CARE 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.

Thanking you,

Yours Faithfully,

Ravi Shankar R
Assistant Director
ravi.s@careratings.com

Sudhakar P
Director
p.sudhakar@careratings.com

Encl.: As above

Disclaimer

CARE's 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. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo 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 is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE'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.

IDBI Trusteeship Services Ltd
CIN : U65991MH2001GOI131154

IDBI trustee

No.30005/ITSL/OPR/CL/21-22/DEB/429
Date: July 13, 2021

HINDUJA LEYLAND FINANCE LIMITED
No. 27 A Developed Industrial Estate,
Guindy,
Chennai - 600032

Kind Attn: Mr. Rajesh Dhuri

Dear Sir,

Subject: Consent to act as Debenture Trustee for the Rated, Listed and Unsecured Non-Convertible Debentures (NCDs) aggregating up to Rs. 50 Crores proposed to be issued by Hinduja Leyland Finance Limited (the Company/Issuer).

This is with reference to your email dated July 13, 2021 regarding appointment of IDBI Trusteeship Services Limited as Debenture Trustee for the proposed listed and Unsecured NCDs issue aggregating up to Rs. 50 Crores.

We are agreeable for inclusion of our name as trustee in the offer document/disclosure document as required subject to the following conditions:

1. The Company shall enter into Written Debenture Trustee Agreement (DTA) for the said issue before the opening of Subscription list for issue of debentures.

2. The Company agrees and undertakes to create the securities over such of its immovable and moveable properties and on such terms and conditions as agreed by the Debenture holders and disclose in the Information Memorandum or Disclosure Document and execute, the Debenture Trust Deed (DTD) and other necessary security documents for each series of debentures as approved by the Debenture Trustee, within a period as agreed by us in the Information Memorandum or Disclosure Document in any case not exceeding time limit as permitted by extant SEBI Regulations.

3. The Company agrees & undertakes to pay to the Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration as stated above for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other Documents affecting the Security till the monies in respect of the Debentures have been fully paid-off and the requisite formalities for satisfaction of charge in all respects, have been complied with.

4. The Company agrees & undertakes to comply with the provisions of SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Issuance of Non-Convertible Debentures (Reserve Bank) Directions, 2010, the Companies Act, 1956/the Companies Act, 2013 and the Rules thereunder as amended from time to time and other applicable provisions and agree to furnish to Trustees such information in terms the same on regular basis.

HINDUJA LEYLAND FINANCE LTD. MUMBAI 400 083

5. Any payment in respect of Debentures required to be made by the Debenture Trustee to a Debenture Holder (who is a FII Entity) at the time of enforcement would, if required by applicable law, be subject to the prior approval of RBI for such remittance through an Authorized Dealer. The Company/Investor shall obtain all such approvals, if required, to ensure prompt and timely payments to the said Debenture Holder. Such remittance shall not exceed total investment (and interest provided for herein) made by the Debenture Holder (who is a FII).

Looking forward to a fruitful association with you and assuring you of our best services at all times.

Yours faithfully,
For IDBI Trusteeship Services Limited

Dongade

ITSL

(Authorized Signatory)

we accept the above terms
for Hinduja Leyland Finance Limited

HINDUJA LEYLAND FINANCE LTD. MUMBAI 400 083

(Authorized Signatory)

HINDUJA LEYLAND FINANCE

To	Purpose	Mode of Issue: Physical/E-mail
BSE Ltd / Investors	Issue of NCDs	

CERTIFIED COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS AT THEIR MEETING HELD ON JUNE 3, 2021

Recommendation to issue of non-convertible debentures subject to approval of the shareholders in the ensuing general meeting of the Company

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 Debt Securities) Regulation 2008, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to the provisions of the Articles of Association of the Company 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. S Nagarajan, Executive Vice Chairman, Mr. Sachin Pillai, Chief Executive Officer & Managing Director and Mr. Kishore Kumar Lodha, 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. S Nagarajan, Executive Vice Chairman, Mr. Sachin Pillai, Chief Executive Officer & Managing Director and Mr. Kishore Kumar Lodha, Chief Financial Officer be and

HINDUJA LEYLAND FINANCE

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.

RESOLVED FURTHER THAT Internal Committee consisting of Mr. S Nagarajan, Executive Vice Chairman, Mr. Sachin Pillai, Chief Executive Officer & Managing Director and Mr. Kishore Kumar Lodha, Chief Financial Officer be and is 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 Copy//

For Hinduja Leyland Finance Limited

B Shanmugasundaram
Company Secretary

HINDUJA LEYLAND FINANCE

To	Purpose	Mode of Issue: Physical/E-mail
BSE Ltd / Investors	Issue of NCDs	

CERTIFIED COPY OF THE SPECIAL RESOLUTION PASSED BY THE SHAREHOLDERS AT THE EXTRA-ORDINARY GENERAL MEETING HELD ON JUNE 30, 2021

Approval for issue 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 re-enactment thereof, for the time being in force), SEBI (Issue and Listing of Debt Securities) Regulation 2008 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.

HINDUJA LEYLAND FINANCE

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.

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 Copy//

For Hinduja Leyland Finance Limited

B Shanmugasundaram
Company Secretary

Annexure VI

HINDUJA LEYLAND FINANCE LIMITED

CONSOLIDATED BALANCE SHEET

(Rs in lacs)

Particular	2020-2021	2019-2020	2018-2019	2017-2018
ASSETS				
Financial Assets				
Cash and cash equivalents	81,871	84,269	25,354	13,562
Bank balance other than cash and cash equivalents	5,585	14,610	11,700	15,132
Receivables				
(i) Trade receivables				
(ii) Other receivables	-	-	15,631	6,442
Loans	21,69,911	19,86,331	18,55,360	14,34,419
Investments	81,951	63,340	1,18,868	92,175
Other financial assets	61,650	59,356	1,02,408	83,097
	24,00,968	**22,07,906**	**21,29,321**	**16,44,827**
Non-Financial Assets				
Current tax assets (net)	5,952	7,604	7,462	3,306
Deferred tax assets (net)	-	-	-	13,187
Property, plant and equipment	8,564	5,156	5,107	4,816
Capital work-in-progress	38	116	-	-
Other intangible assets	74	63	32	38
Rights of use assets	2,632	2,650	-	-
Other non-financial assets	5,780	2,971	1,560	982
	23,040	**18,560**	**14,161**	**22,329**
TOTAL ASSETS	**24,24,008**	**22,26,466**	**21,43,482**	**16,67,156**
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Trade payables				
(i) dues of micro enterprises and small enterprises				
(ii) dues other than micro enterprises and small enterprises	1987	2,139	357	123
Debt securities	1,31,803	88,300	1,93,431	2,38,126
Borrowings (other than debt securities)	16,89,769	16,21,014	14,67,268	10,59,911
Subordinated liabilities	1,35,163	1,31,588	1,35,408	1,03,215
Other financial liabilities	45,820	42,625	68,593	60,963
	20,04,542	**18,85,666**	**18,65,057**	**14,62,338**
Non-Financial Liabilities				
Provisions	540	402	252	274
Deferred tax liabilities (net)	21,430	7,359	785	
Other non-financial liabilities	780	546	663	660
	22,750	**8,307**	**1,700**	**934**
EQUITY				
Equity share capital	46,978	46,975	46,967	45,644
Other equity	3,49,738	2,85,519	2,29,758	1,58,240
	3,96,716	**3,32,494**	**2,76,725**	**2,03,884**
	24,24,008	**22,26,467**	**21,43,482**	**16,67,156**

HINDUJA LEYLAND FINANCE LIMITED * 32, Guindy, Chennai *

HINDUJA LEYLAND FINANCE LIMITED				
CONSOLIDATED STATEMENT OF PROFIT AND LOSS				(Rs in lacs)
Particular	**2020-2021**	**2019-2020**	**2018-2019**	**2017-2018**
Revenue from operations				
Interest income	2,73,806	2,86,810	2,39,205	1,84,635
Fees and commission income	3,832	5,391	4,833	5,346
Net gain on derecognition of financial instruments	3,542	18,751	16,816	7,879
Fair value gain on investments	20,081			
Income from other services	4,069	2,689	10,305	9,468
Total revenue from operations	**3,05,330**	**3,13,641**	**2,71,159**	**2,07,328**
Expenses				
Finance costs	1,56,551	1,66,545	1,40,197	1,05,871
Fees and commission expense	3,778	8,722	6,229	4,514
Impairment on financial instruments	75,287	63,035	57,295	51,104
Employee benefits expenses	16,838	15,978	12,207	8,140
Depreciation, amortization and impairment	1,964	1,162	721	639
Others expenses	7,688	10,181	8,881	7,134
Total expenses	**2,62,106**	**2,65,623**	**2,25,530**	**1,77,402**
Profit before share of profit of equity accounted investee and income tax	**43,224**	**48,018**	**45,629**	**29,926**
Share of profit of equity accounted investee (net of income tax)	90	65	111	42
Profit before tax	**43,314**	**48,083**	**45,740**	**29,968**
Tax expense:				
Current Tax	12,617	12,235	13,894	11,620
Deferred tax charge/(credit)	-2641	3,126	1,803	-1,468
	9,976	**15,361**	**15,697**	**10,152**
Profit for the year	**33,338**	**32,722**	**30,043**	**19,816**

HINDUJA LEYLAND FINANCE LIMITED * 32 * Guindy, Chennai

HINDUJA LEYLAND FINANCE LIMITED

CONSOLIDATED CASHFLOW STATEMENT

(Rs in lakhs)

CASH FLOW STATEMENT	2020-21	2019-20	2018-19	2017-18
A. Cash flow from operating activities				
Net profit before tax	43,314	48,083	45,740	29,968
Adjustments for:				
Depreciation and amortisation	1,964	1,162	721	639
Provision for employee benefit	123	150	-22	-43
Provision on impairment on financial instruments and Bad debts written off	72,296	60,883	56,528	49,857
Impairment loss on other receivables	2,991	2,151	767	1,247
Stock compensation expenses				
Fixed Assets write off				-
Discount on commercial papers	307	7,788	8,157	3,180
Share based payment expenses	336	-	105	84
Amortisation of ancillary cost related to borrowings	1,831	2,168	1,295	865
Provision for compensated absence and gratuity				-
Operating cash flow before working capital changes	**1,23,162**	**1,22,384**	**1,13,291**	**85,797**
Adjustments for:				
(Increase) / decrease in asset on finance (incld repossessed assets)	-2,15,061	-1,48,031	-4,42,650	-4,28,948
(Increase) / decrease in other financial assets	-8,094	36,476	-29,845	-37,563
Increase / (decrease) in financial liabilities	3,277	-1,068	7,867	10,122
Cash (used in) / from operations	**-96,716**	**9,761**	**-3,51,337**	**-3,70,592**
Taxes paid (net)	-4,519	-12,377	-18,050	-14,577
Net cash (used in) operating activities (A)	**-1,01,235**	**-2,616**	**-3,69,387**	**-3,85,169**
B. Cash flow from investing activities				
Investment in pass through securities	-19,227	23,559	-41,475	-12,694
Investment in Funds				
Investment in redeemable non convertible debentures	616	33,126	14,782	-3,683
Bank deposits (having maturity of more than three months)	9,025	-2,770	3,431	-8,457
Purchase of fixed assets (tangible and intangible fixed assets) including capital work in progress and capital advances	-5,287	-4,007	-1,006	-631
Net cash (used in) investing activities (B)	**-14,873**	**49,908**	**-24,268**	**-25,465**
C. Cash flow from financing activities				
Proceeds from issue of equity shares including securities premium (net)	15	44	20,044	45,238
Proceeds from borrowings	7,34,577	6,39,678	7,49,793	5,57,651
Repayments of borrowings	-6,42,786	-5,15,234	-3,75,830	-2,67,052
Proceeds from working capital loan/ cash credit (net)	21,904	-1,12,865	11,440	85,559
Net cash from financing activities (C)	**1,13,710**	**11,623**	**4,05,447**	**4,21,396**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	-2,398	58,915	11,792	10,762
Cash and cash equivalents at the beginning of the year	84,269	25,354	13,562	2,799
Cash and cash equivalents at the end of the year	**81,871**	**84,269**	**25,354**	**13,562**

HINDUJA LEYLAND FINANCE LIMITED * Guindy, Chennai

Particular	2020-2021	2019-2020	2018-2019	2017-2018
ASSETS				
Financial Assets				
Cash and cash equivalents	80,838	82,879	24,227	12,579
Bank balance other than cash and cash equivalents	5,585	14,610	11,700	15,132
Loans	19,25,150	18,24,156	17,40,418	13,46,496
Investments	98,707	77,684	1,28,713	1,01,194
Other financial assets	59,436	58,880	1,01,309	82,255
	21,69,716	**20,58,209**	**20,06,367**	**15,57,656**
Non-Financial Assets				
Current tax assets (net)	5,639	7,130	7,214	3,134
Deferred tax assets (net)				13,094
Property, plant and equipment	8,429	4,969	4,901	4,715
Capital work-in-progress	38	116	-	-
Other intangible assets	72	59	30	34
Right of use assets	2,632	2,650		
Other non-financial assets	5,736	2,929	1,557	979
	22,546	**17,853**	**13,702**	**21,956**
TOTAL ASSETS	**21,92,262**	**20,76,062**	**20,20,069**	**15,79,612**
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Trade payables				
(i) dues of micro enterprises and small enterprises	-	-	-	-
(ii) dues other than micro enterprises and small enterprises	1,722	1,957	314	91
Debt securities	1,31,803	88,300	1,93,431	2,38,126
Borrowings (other than debt securities)	14,73,354	14,78,793	13,48,946	9,74,375
Deposits	162	162	162	162
Subordinated liabilities	1,35,163	1,31,588	1,35,408	1,03,215
Other financial liabilities	44,889	42,171	67,786	60,755
	17,87,093	**17,42,971**	**17,46,047**	**13,76,724**
Non-Financial Liabilities				
Provisions	386	291	217	244
Deferred tax liabilities (net)	21,705	7722	779	
Other non-financial liabilities	557	443	642	622
	22,648	**8,456**	**1,638**	**866**
EQUITY				
Equity share capital	46,978	46,975	46,967	45,644
Other equity	3,35,543	2,77,660	2,25,417	1,56,378
	3,82,521	**3,24,635**	**2,72,384**	**2,02,022**
TOTAL LIABILITIES	**21,92,262**	**20,76,062**	**20,20,069**	**15,79,612**

HINDUJA LEYLAND FINANCE LIMITED * 2C - Guindy, Chennai *

HINDUJA LEYLAND FINANCE LIMITED				
STANDALONE STATEMENT OF PROFIT AND LOSS				
Standalone Financials				(Rs in lacs)
			Ind-AS	
PROFIT AND LOSS ACCOUNT	**2020-21**	**2019-20**	**2018-19**	**2017-18**
Revenue				
Revenue from operations	277482	2,92,748	2,56,064	1,96,127
Total revenue	**2,77,482**	**2,92,748**	**2,56,064**	**1,96,127**
Expenses				
Employee benefit expense	13977	13,083	10,390	7,247
Finance cost	142693	1,55,397	1,32,123	98,994
Depreciation and amortisation expense	1859	1,052	662	602
Provisions and write off	73609	61,687	56,696	50,631
Other expenses	10189	17,626	13,908	10,975
Total expenses	**242327**	**2,48,845**	**2,13,779**	**1,68,449**
Profit before tax	**35,155**	**43,903**	**42,285**	**27,678**
Tax expense:				
- Current tax				
'- for the current year	10868	11,157	13,017	10,912
- relating to earlier years				
- Deferred tax				
- for the current year	-2103	3,548	1,704	-1,438
- relating to earlier years	-623			
Profit after tax	**27,013**	**29,198**	**27,564**	**18,204**
HINDUJA LEYLAND FINANCE LIMITED				
CASH FLOW STATEMENT	**2020-21**	**2019-20**	**2018-19**	**2017-18**
A. Cash flow from operating activities				
Net profit before tax	**35,155**	**43,903**	**42,285**	**27,678**
Adjustments for:				
Depreciation and amortisation	1,859	1,052	662	602
Loss on sale of repossessed assets				
Provision for employee benefit	62	-2	-27	-1
Contingent provision against standard assets				
Provision for non-performing assets				
Impairment loss on other receivables	2991	2,151	767	1,247
Provision for expected credit loss and Bad debts written off	70618	55,502	55,929	49,384
Stock compensation expenses				
Fixed Assets write off				-
Discount on commercial papers	307	7,788	8,013	3,180
Share based payment expenses	336	-	105	84
Amortisation of ancillary cost related to borrowings	1831	2,168	1,295	535
Provision for compensated absence and gratuity				-
Operating cash flow before working capital changes	**1,13,159**	**1,12,562**	**1,09,029**	**82,709**
Adjustments for:				
(Increase) / decrease in asset on finance (incld repossessed assets)	-130794	-1,11,046	-4,07,213	-4,23,647
(Increase) / decrease in other financial assets	-6354	35,895	-28,219	-37,183
Increase / (decrease) in financial liabilities	2597	-1,249	7,274	10,001
Cash (used in) / from operations	**-21,392**	**36,162**	**-3,19,129**	**-3,68,120**
Taxes paid (net)	-2931	-11,073	-17,097	-13,697
Net cash (used in) operating activities (A)	**-24,323**	**25,089**	**-3,36,226**	**-3,81,817**
B. Cash flow from investing activities				
Investment in pass through securities	-18891	24,146	-39,300	-9,007

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Investment in Funds				
Investment in redeemable non convertible debentures	368	32,040	14,781	-2,683
Investment in equity shares of subsidiary Company	-2500	-4,000	-3,000	-3,000
Bank deposits (having maturity of more than three months)	9025	-2,770	3,432	-8,457
Purchase of fixed assets (tangible and intangible fixed assets) including capital work in progress and capital advances	-5236	-3,915	-844	-585
Net cash (used in) investing activities (B)	**-17,234**	**45,501**	**-24,931**	**-23,732**
C. Cash flow from financing activities				
Proceeds from issue of equity shares including securities premium (net)	15	44	20,044	45,237
Proceeds from issue of compulsorily convertible cumulative participative preference shares				
Proceeds from borrowings	616408	4,79,800	6,85,480	5,57,167
Repayments of borrowings	-614697	-4,93,957	-3,77,125	-2,67,587
Proceeds from working capital loan/ cash credit (net)	37790	2,175	44,406	80,713
Net cash from financing activities (C)	**39,516**	**-11,938**	**3,72,805**	**4,15,530**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	-2,041	58,652	11,648	9,981
Cash and cash equivalents at the beginning of the year	82,879	24,227	12,579	2,598
Cash and cash equivalents at the end of the year	**80,838**	**82,879**	**24,227**	**12,579**

HINDUJA LEYLAND FINANCE LIMITED * 32 * Guindy, Chennai

HINDUJA LEYLAND FINANCE LIMITED

STANDALONE CASHFLOW STATEMENT

(Rs in lakhs)

CASH FLOW STATEMENT	2020-21	2019-20	2018-19	2017-18
A. Cash flow from operating activities				
Net profit before tax	35,155	43,903	42,285	27,678
Adjustments for:				
Depreciation and amortisation	1,859	1,052	662	602
Loss on sale of repossessed assets				
Provision for employee benefit	62	-2	-27	-1
Contingent provision against standard assets				
Provision for non-performing assets				
Provision on impairment on financial instruments and Bad debts written off	70,618	55,411	55,929	49,384
Impairment loss on other receivables	2,991	2,151	767	1,247
Stock compensation expenses				
Fixed Assets write off				-
Discount on commercial papers	307	7,788	8,013	3,180
Share based payment expenses	336		105	84
Amortisation of ancillary cost related to borrowings	1,831	2,167	1,295	535
Provision for compensated absence and gratuity				-
Operating cash flow before working capital changes	**1,13,159**	**1,12,470**	**1,09,029**	**82,709**
Adjustments for:				
(Increase) / decrease in asset on finance (incld repossessed assets)	-1,30,794	-1,10,955	-4,07,213	-4,23,647
(Increase) / decrease in other financial assets	-6,354	35,895	-28,219	-37,183
Increase / (decrease) in financial liabilities	2,597	-1,249	7,274	10,001
Cash (used in) / from operations	**-21,392**	**36,161**	**-3,19,129**	**-3,68,120**
Taxes paid (net)	-2,931	-11,073	-17,097	-13,697
Net cash (used in) operating activities (A)	**-24,323**	**25,088**	**-3,36,226**	**-3,81,817**
B. Cash flow from investing activities				
Investment in pass through securities	-18,891	22,653	-39,300	-9,007
Investment in Funds				
Investment in redeemable non convertible debentures	368	33,533	14,781	-2,683
Investment in equity shares of subsidiary Company	-2,500	-4,000	-3,000	-3,000
Bank deposits (having maturity of more than three months)	9,025	-2,770	3,432	-8,457
Purchase of fixed assets (tangible and intangible fixed assets) including capital work in progress and capital advances	-5,236	-3,915	-844	-585
Net cash (used in) investing activities (B)	**-17,234**	**45,501**	**-24,931**	**-23,732**
C. Cash flow from financing activities				
Proceeds from issue of equity shares including securities premium (net)	15	44	20,044	45,237
Proceeds from issue of compulsorily convertible cumulative participative preference shares				
Proceeds from borrowings	6,16,408	4,79,800	6,85,480	5,57,167
Repayments of borrowings	-6,14,697	-4,93,957	-3,77,125	-2,67,587
Proceeds from working capital loan/ cash credit (net)	37,790	2,176	44,406	80,713
Net cash from financing activities (C)	**39,516**	**-11,937**	**3,72,805**	**4,15,530**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	-2,041	58,652	11,648	9,981
Cash and cash equivalents at the beginning of the year	82,879	24,227	12,579	2,598
Cash and cash equivalents at the end of the year	**80,838**	**82,879**	**24,227**	**12,579**

HINDUJA LEYLAND FINANCE LIMITED * 32, Guindy, Chennai

Hinduja Leyland Finance Limited
Corporate Identity Number : U65993TN2008PLC069837
Regd. Office: No. 1, Sardar Patel Road, Guindy, Chennai - 600032
Corporate office: 27A, Developed Industrial Estate, Guindy, Chennai, TamilNadu - 600032
Tel : (044) 39252525 Website : hindujaleylandfinance.com Email : compliance@hindujaleylandfinance.com
Statement of Standalone financial results for the half year and year ended March 31, 2021

INR In Lakh

	Particulars	Half Year ended		Year ended	
		31-Mar-2021	31-Mar-2020	31-Mar-2021	31-Mar-2020
		(Refer note 9)	(Refer note 9)	Audited	Audited
1	Interest income	1,26,969	1,39,985	2,49,277	2,67,866
2	Fees and commission income	2,591	2,193	3,747	5,315
3	Net gain on fair value changes	1,327	-	3,542	-
4	Net gain on derecognition of of financial instruments	11,398	9,807	18,716	18,751
5	Income from other services	930	816	2,200	816
6	Total revenue (1+2+3+4+5)	1,43,215	1,52,801	2,77,482	2,92,748
7	Finance costs	69,513	77,516	1,42,693	1,55,397
8	Fees and commission expense	1,448	4,310	3,778	8,722
9	Impairment on financial assets	44,212	35,533	73,609	61,667
10	Employee benefits expense	6,902	6,512	13,977	13,083
11	Depreciation and amortisation	851	687	1,859	1,052
12	Other expenses	3,616	4,403	6,411	8,904
13	Total expenses (7+8+9+10+11+12)	1,26,542	1,28,961	2,42,327	2,48,845
14	Profit before tax	16,673	23,840	35,155	43,903
15	Tax expenses	3,448	7,903	8,142	14,706
	- Current tax	6,152	5,833	10,866	11,157
	- Deferred tax	(2,081)	2,070	(2,103)	3,549
	- Tax pertaining to earlier years	(623)	-	(623)	-
	Profit after tax	13,225	15,937	27,013	29,197
16	Other comprehensive Income				
	A Items that will not be reclassified subsequently to profit or loss				
	(i) Remeasurement of defined benefit plans	(5)	(50)	(33)	(76)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	4	(79)	11	(70)
	B 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)	29,546	16,793	40,818	26,482
	(ii) Income tax relating to items that will be reclassified to profit or loss	(7,437)	(40)	(10,274)	(3,326)
	Other comprehensive Income	22,108	16,624	30,522	23,010
17	Total comprehensive Income	35,333	32,561	57,535	52,207
18	Paid up Share Capital (face value of Rs.10 each)	46,978	46,975	46,978	46,975
19	Earnings per equity share (face value of Rs.10/- each)#				
	- Basic (in Rs.)	2.81	3.39	5.75	6.22
	- Diluted (in Rs.)	2.81	3.39	5.75	6.21

earnings per share for the interim period is not annualised

Notes:

2 The financial results of the Company have been prepared in accordance with the recognition and measurement principles prescribed under section 133 of the Companies Act 2013 (the Act') read with relevant rules issued thereunder and the other accounting principles generally accepted in India.

3 The above results of the Company were reviewed by the Audit Committee at their meeting held on June 02, 2021 and subsequently approved by the Board of Directors at their meeting held on June 03, 2021.

4 The figures have been presented in accordance with the format prescribed for the financial statements for a Non-Banking Finance Company ("NBFC") whose financial statements are drawn up in compriance of the Companies (Indian Accounting Standards) Rules. 2015, in Division III of Notification dated 11 October 2018 issued by the Ministry of Corporate Affairs Government of India.

5 The COVID -19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The standalone financial results, includes the potential impact of the COVID-19 pandemic on the Company's standalone financial results which are dependent on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether Government mandated or elected by the Company and its subsequent impact on the recoverability's on the Company's assets.

Further, the Company has, based on current available information and based on the policy approved by the board, determined the provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Company's management has considered all information available upto the date of approval of these standalone financial results. Accordingly, the Company has made provision for expected credit loss on financial assets as at March 31, 2021. Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets.

The extent to which the COVID-19 pandemic will further impact the Company's standalone financial results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone financial results and the Company will continue to closely monitor any material changes to future economic conditions.

6 The Company, during the year ended March 31, 2021 has granted 30,000 ESOPs, in accordance with the Company's Employee Stock Option Scheme(s).

7 The secured redeemable non-convertible debentures issued by the Company are secured by exclusive charge on hypothecation of specific loan receivables in addition to a first ranking mortgage of an immovable property in favour of trustees for certain NCD's, all aggregating to a security cover of upto 110% as per the terms of issue.

8 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.

9 The Statement includes the results for the half year ended March 31, 2021 and March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published half yearly results for September 30, 2020 and September 30, 2019 respectively.

10 Figures of the previous half year/year have been regrouped and/or reclassified to conform to the current period's classification.

For Hinduja Leyland Finance Limited

Sachin Pillai
Managing Director & CEO

Place : Chennai
Date : 03 June 2021

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

HINDUJA LEYLAND FINANCE LIMITED Guindy, Chennai - 32.

Note 1: Statement of Assets and Liabilities

INR In Lakh

Particulars	As at 31 March 2021 Audited	As at 31 March 2020 Audited
ASSETS		
Financial Assets		
Cash and cash equivalents	80,838	82,879
Bank balance other than cash and cash equivalents	5,585	14,610
Loans	19,25,150	18,24,156
Investments	98,707	77,684
Other financial assets	59,436	58,880
	21,69,716	**20,58,209**
Non-financial Assets		
Current tax assets (net)	5,639	7,130
Property, plant and equipment	8,429	4,969
Capital work-in-progress	38	116
Other intangible assets	72	59
Right of use assets	2,632	2,650
Other non-financial assets	5,736	2,929
	22,546	**17,853**
Total assets	**21,92,262**	**20,76,062**
LIABILITIES AND EQUITY		
LIABILITIES		
Financial Liabilities		
Trade payables		
(i) dues of micro enterprises and small enterprises	-	-
(ii) dues other than micro enterprises and small enterprises	1,722	1,957
Debt securities	1,31,803	88,300
Borrowings (other than debt securities)	14,73,354	14,78,793
Deposits	162	162
Subordinated liabilities	1,35,163	1,31,588
Other financial liabilities	44,889	42,171
	17,87,093	**17,42,971**
Non-Financial Liabilities		
Provisions	386	291
Deferred tax liabilities (net)	21,705	7,722
Other non-financial liabilities	557	443
	22,648	**8,456**
EQUITY		
Equity share capital	46,978	46,975
Other equity	3,35,543	2,77,660
	3,82,521	**3,24,635**
Total Liabilities and Equity	**21,92,262**	**20,76,062**

For Hinduja Leyland Finance Limited

Sachin Pillai
Managing Director & CEO

Place : Chennai
Date : 03 June 2021

DELOITTE HASKINS & SELLS * CHARTERED ACCOUNTANTS *

HINDUJA LEYLAND FINANCE LIMITED * Guindy, Chennai - 32. *

Note 2: Disclosures as per clause 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

a. Details of credit rating and change in credit rating

Facility / Rating agency	Rating assigned		
	CRISIL	CARE	India Rating
Redeemable non-convertible debentures	AA-	AA-	Not applicable
Subordinated redeemable non-convertible debentures	AA-	AA-	AA-
Commercial paper	A1+	A1+	Not applicable
Bank facilities	AA-	AA-	AA-

During the six months period ended March 31, 2021, AA- rating were assigned by India Rating for bank facilities.

b. Debt-Equity ratio (in times) as at Sep 30, 2020 is 4.55. 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).

c. Previous / next due date for the payment of interest / principal on non-convertible debt securities - redeemable non-convertible debentures

Particulars	Principal		Interest	
	Amount (INR In Lakhs)	Next due date	Previous due date	Next due date
9.05% Redeemable non-convertible debentures (ISIN: INE146O07359)	5,000	06-Apr-21	06-Apr-20	06-Apr-21
9.25% Redeemable non-convertible debentures (ISIN: INE146O07375)	20,000	02-Jun-23	NA	04-Jun-21
8.30% Redeemable non-convertible debentures (ISIN: INE146O07383)	25,000	07-Jan-22	NA	6-Jul-21, 7-Jan-22
8.15% Redeemable non-convertible debentures (ISIN: INE146O07391)	30,000	07-Feb-22	NA	7-Aug-21, 7-Feb-22
8.05% Redeemable non-convertible debentures (ISIN: INE146O07409)	10,000	06-Apr-22	NA	06-Oct-21
8.05% Redeemable non-convertible debentures (ISIN: INE146O07417)	10,000	13-May-22	NA	12-Nov-21
8.50% Redeemable non-convertible debentures (ISIN: INE146O07425)	20,000	15-Dec-23	NA	15-Dec-21
8.00% Redeemable non-convertible debentures (ISIN: INE146O07433)	5,500	28-Jun-23	NA	On Maturity

Notes:

1. Principal and interest payments were made on or before the due dates mentioned in the above table.
2. The above disclosures are towards redeemable non-convertible debentures outstanding as at March 31, 2021.
3. The redeemable non-convertible debentures issued by the Company are secured by a first ranking mortgage of an immovable property in favour of trustees in addition to exclusive charge on hypothecation of specific loan receivables with a security cover of upto 110% as per the terms of issue.

d. Previous/ next due date for the payment of interest/ principal on non-convertible debt securities - Subordinated redeemable non-convertible debentures:

Particulars	Principal		Interest	
	Amount (INR In Lakhs)	Next due date	Previous due date	Next due date
11.50% Subordinated redeemable non-convertible debentures (ISIN: INE146O08068)	8,500	31-May-21	30-Nov-20	31-May-21
11.40% Subordinated redeemable non-convertible debentures (ISIN: INE146O08076)	3,500	15-Jun-21	15-Dec-20	15-Jun-21
11.30% Subordinated redeemable non-convertible debentures (ISIN: INE146O08084)	8,500	21-Jul-21	20-Jan-21	21-Jul-21
11.10% Subordinated redeemable non-convertible debentures (ISIN: INE146O08092)	18,000	08-Apr-22	26-Jun-20	25-Jun-21
9.40% Subordinated redeemable non-convertible debentures (ISIN: INE146O08100)	10,000	28-Aug-24	27-Aug-20	27-Aug-21
9.20% Subordinated redeemable non-convertible debentures (ISIN: INE146O08118)	10,000	13-Sep-24	13-Sep-20	13-Sep-21
10.15% Subordinated redeemable non-convertible debentures (ISIN: INE146O08134)	10,000	27-Mar-25	27-Mar-21	27-Mar-21
9.50% Subordinated redeemable non-convertible debentures (ISIN: INE146O08126)	5,000	28-Sep-23	28-Sep-20	28-Sep-21
10.25% Subordinated redeemable non-convertible debentures (ISIN: INE146O08142)	15,000	17-Sep-24	NA	On Maturity
11.60% Subordinated redeemable non-convertible debentures (ISIN: INE146O08159)	10,000	29-Sep-24	28-Mar-21	28-Mar-22
9.75% Subordinated redeemable non-convertible debentures (ISIN: INE146O08167)	4,500	18-Aug-26	NA	16-Feb-22
9.75% Subordinated redeemable non-convertible debentures (ISIN: INE146O08175)	5,500	08-Oct-26	NA	08-Mar-22
9.75% Subordinated redeemable non-convertible debentures (ISIN: INE146O08183)	5,000	18-Feb-26	NA	19-Mar-22
9.75% Subordinated redeemable non-convertible debentures (ISIN: INE146O08191)	7,500	25-Sep-26	NA	26-Mar-22

Note : There was no principal due for repayment prior to March 31, 2021. Interest payments were made on or before the due dates mentioned in the above table.

e.

Particulars	Year ended 31-Mar-21
Outstanding redeemable preference shares	Nil
Net worth (INR In lakhs)	3,82,521
Net profit after tax (INR In lakhs)	27,013
Earnings per share	
Basic (INR)	5.75
Diluted (INR)	5.75

Notes:

1. Networth 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).

For Hinduja Leyland Finance Limited

Sachin Pillai
Managing Director & CEO

Place : Chennai
Date : 03 June 2021

HINDUJA LEYLAND FINANCE LIMITED
Guindy, Chennai - 32.

Deloitte Haskins & Sells

Chartered Accountants
ASV N Ramana Tower
52, Venkatnarayana Road
T. Nagar, Chennai-600 017
Tamil Nadu, India

Tel: 044 6688 5000
Fax: 044 6688 5050

INDEPENDENT AUDITORS' REPORT ON AUDIT OF ANNUAL FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
HINDUJA LEYLAND FINANCE LIMITED

Opinion

We have audited the Financial Results for the year ended March 31, 2021 included in the accompanying "Statement of Audited Financial Results for the Half Year and Year Ended March 31, 2021" of **HINDUJA LEYLAND FINANCE LIMITED** (the "Company"), (the "Statement"), being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

Opinion on annual Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Financial Results for the year ended March 31, 2021:

(i) is presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and

(ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

Basis for Opinion on the Audited Financial Results for the year ended March 31, 2021

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in Auditor's Responsibilities for audit of the Financial Results section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the Financial Results for the year ended March 31, 2021 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw attention to Note 5 to the Statement, which describe the potential continuing impact of the COVID-19 pandemic on the Company's financial results and particularly the impairment provisions are dependent on future developments, which are highly uncertain.

Our opinion on the Statement is not modified in respect of this matter.

Management's Responsibilities for the Statement

This Statement, which includes the Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the related audited financial statements for the year ended March 31, 2021. This responsibility includes the preparation and presentation of the Financial Results for the year ended March 31, 2021 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, 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.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditors' Responsibilities for audit of Financial Results for the year ended March 31, 2021

Our objectives are to obtain reasonable assurance about whether the Financial Results for the year ended March 31, 2021 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 this Financial Results.

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

- Identify and assess the risks of material misstatement of the Financial Results, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.

- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 52 of the Listing Regulations.

- Conclude on the appropriateness of the 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 Company 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 Statement 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 Financial Results, including the disclosures, and whether the Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Financial Results of the Company to express an opinion on the Financial Results.

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

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.

Other Matter

The Statement includes the results for the half year ended March 31, 2021 being the balancing figure between audited figures in respect of the full financial year and the published half yearly results for September 30, 2020 which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

G. K. Subramaniam
Partner
(Membership No. 109839)
UDIN: 21109839AAAAGR7457

Mumbai: June 3, 2021