

INFORMATION MEMORANDUM

Information Memorandum as per Schedule II of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and 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 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: U65993MH2008PLC384221

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

Corporate Office: 27-A, Developed Plot (South Phase), Industrial Estate, Guindy, Chennai - 600032

Tel: 91 (044) 39252525; **Fax:** 91 (044) 22304314; **Website:** <http://www.hindujaleylfinance.com>;

Company Secretary and Compliance Officer: _____; **E-mail:** compliance@hindujaleylfinance.com

ISSUE OF UPTO 5,000 (FIVE THOUSAND HUNDRED) RATED, LISTED, UNSECURED, SUBORDINATED, REDEEMABLE, TAXABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000 (INDIAN RUPEES ONE LAKH ONLY) EACH AND THE AGGREGATE FACE VALUE OF INR 50,00,00,000 (FIFTY CRORE ONLY) FOR VALUE AT PAR, IN DEMATERIALIZED FORM ON A PRIVATE PLACEMENT BASIS ("THE ISSUE"):

Promoter:

Name: Ashok Leyland Limited; Address: 1, Sardar Patel Road Guindy Chennai 600032

Email: secretarial@ashokleyland.com, Tel: +91 44 2220 6000

General Risks:

Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to statement of risk factors contained in Page 7 of this Placement Memorandum.

Credit Rating:

The Subordinated debt proposed to be issued by the Issuer have been rated by CARE Ratings Limited and CRISIL Rating Limited. The Rating Agency have assigned a rating of "AA" (Outlook – Stable) in respect of the Subordinate Debt. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. The Press release is available in Annexure III.

The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The rating agency has the right to suspend, withdraw the rating at any time on the basis of new information, etc. Please refer to Annexure 3 of this Information Memorandum for the letter from the Rating Agency assigning the credit rating abovementioned issued by the Rating Agency.

Key Terms:

Issue Opening Date	29th November 2023
Issue Closing Date	29th November 2023
Issue Earliest Closing Date	29th November 2023
Credit Rating	CARE / CRISIL AA Stable {Pronounced "Double A Stable".}
Coupon Rate	9.40% p.a.
Coupon Payment Frequency	Annexure 2
Redemption Date	January 30, 2031
Redemption Amount	Annexure 2
Listing	Wholesale debt market segment of BSE Limited (BSE)
Details of 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.
Other terms	This issuance is not a non-equity regulatory capital as mentioned under chapter V & chapter XIII Of the SEBI NCS REGULATION '2021.

This Information Memorandum is dated 22nd November 2023.

OTHER DETAILS

<p>Company Secretary & Compliance Officer Name: _____ Address: No.27A Developed Industrial Estate, Guindy, Chennai – 600032 Tel No: 044-2242 7527 Email: compliance@hindujaleylfinance.com</p>	<p>Chief Financial Officer Name: Vikas Jain Address: No.27A Developed Industrial Estate, Guindy, Chennai – 600032 Tel No: 044-2242 7523 Email: vikas.jain @hindujaleylfinance.com</p>	<p> IDBI Trustee Services Ltd Debenture Trustee IDBI Trusteeship Services Ltd Universal Insurance Building, Ground Floor, Sir P M Road, Fort, Mumbai – 400 001. Tel: 022 40807000 Email: itsl@idbitrustee.com Contact Person: Gaurav Mody</p>
<p> Registrar & Transfer Agent Link Intime India Pvt. Ltd. C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083. Tel: 022 – 49186 000 Email: rnt.helpdesk@linktime.co.in Contact Person: Mr. Ganesh Jadhav</p>	<p> Ratings • Advisory • Research • Risk Solutions Credit Rating agency CARE Rating Limited 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022 Tel: 022 3342 3000 Email: care@careedge.in Contact Person: Ravi Shankar R</p>	<p> An S&P Global Company Credit Rating agency CRISIL Ratings Limited CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400076 IN Tel: +1800 267 1301 Email: crisilratingdesk@crisil.com Contact Person: Krishnan Sitaraman Website: https://www.crisil.com/</p>

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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 Schedule II of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 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 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;
- 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.

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.

SECURITY MAY BE INSUFFICIENT TO REDEEM THE DEBENTURES

In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Debenture Trustee may enforce the Security over the Hypothecated Assets as per the terms of Security Documents, and other Transaction Documents. The Investors recovery in relation to the Debentures will be subject to (i) the market value of such Hypothecated Assets, (ii) finding willing buyers for the Hypothecated Assets at a price sufficient to repay the potential investors amounts outstanding under the Debentures. The value realized from the enforcement of the Security over the Hypothecated Assets may be insufficient to redeem the Debentures.

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 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.

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 placement memorandum contains all information with regard to the issuer and the issue which is material in the context of the issue, as required under Schedule II of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 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, that the information contained in the placement memorandum is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

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 September, 30 2023, the summary of Assets under Management is as under:

Asset Classification	Loans & advances Outstanding (INR in Crores)	%
Standard Assets –AUM	32,456	96.6
Gross Non-Performing Assets	1,150	3.4
Total	33,606	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.

DEFINITIONS

Term	Meaning / Definition / Complete Term
“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
Deed of Hypothecation	means the unattested deed of hypothecation, dated on or about the Deemed Date of Allotment, executed or to be executed and delivered by the Company in a form acceptable to the Debenture Trustee
Debentures or MLD or Debt Securities	ISSUE OF UPTO 5,000 (FIVE THOUSAND HUNDRED) RATED, LISTED, UNSECURED, SUBORDINATED, REDEEMABLE, TAXABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000 (INDIAN RUPEES ONE LAKH ONLY) EACH AND THE AGGREGATE FACE VALUE OF INR 50,00,00,000 (FIFTY CRORE ONLY) FOR VALUE AT PAR, IN DEMATERIALISED FORM ON A PRIVATE PLACEMENT BASIS ("THE ISSUE")
Deemed Date of Allotment	30 November 2023

Term	Meaning / Definition / Complete Term
Depositories	NSDL and CDSL
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 " <i>Electronic book mechanism for issuance of securities on private placement basis</i> " read with the SEBI Circular dated August 16, 2018 (bearing reference number SEBI/HO/DDHS/CIR/P/2018/122) on " <i>Electronic book mechanism for issuance of securities on private placement basis - Clarifications</i> " 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	<p>means any indebtedness for or in respect of:</p> <ul style="list-style-type: none"> (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) above.

Term	Meaning / Definition / Complete Term
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	has the meaning given to it in Section 6(b)
Listing Period	means 3 trading days from the issue closure date
Location of Dispute Resolution	Chennai
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: <ul style="list-style-type: none"> (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
NSDL	National Securities Depository Limited

Term	Meaning / Definition / Complete Term
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 Stable
Rating Agency	CARE Ratings and CRISIL Rating Limited
RBI	Reserve Bank of India
Redemption Date	30th January, 2031
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 Link Intime India Private 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	Schedule II of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (and 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/DDHS_Div1/P/CIR/2022/167 dated November 30, 2022 on "Standardization of timeline for listing of securities issued on a private placement basis under: i. SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 (SEBI NCRPS), ii. 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.
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

Term	Meaning / Definition / Complete Term
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.
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.

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 18th May, 2023 and 31st July 2023 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.hindujaleylfinance.com Email ID: compliance@hindujaleylfinance.com
B	Registered Office of the Issuer	Plot No. C-21, Tower C (1-3 Floor), G Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051 Tel:022-6136 0407 Fax: 022-2496 0707
C	Corporate Office of the Issuer	27-A, Developed Industrial Estate, Guindy, Chennai – 600032 Tel:044-39252533 Fax: 044-3925 2553 Website: http://www.hindujaleylfinance.com Email ID: compliance@hindujaleylfinance.com

D	Nodal/Compliance Officer of the Issuer	<p>Company Secretary and Compliance Officer 27-A, Developed Industrial Estate, Guindy, Chennai – 600032 Tel: 044-39252523 Email ID: compliance@hindujaleylfinance.com</p>
E	Chief Financial Officer of the Issuer	<p>Vikas Jain Chief Financial Officer 27-A, Developed Industrial Estate, Guindy, Chennai – 600032 Tel: 044-39252523 Email ID: vikas.jain@hindujaleylfinance.com</p>
F	Debenture Trustee of the Issue	<p>IDBI Trusteeship Services Limited Ground Floor, Universal Insurance Building, Sir P.M. Marg, Fort, Mumbai 400001 Tel: 022-40807000 Email ID: itsl@idbitrustee.com</p>
G	Registrar & Transfer Agent of the Issue	<p>LINK INTIME INDIA PRIVATE LIMITED C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai-400083, Tel: 022 – 4918 6000 Email ID : rnt.helpdesk@linkintime.co.in</p>
H	Credit Rating Agencies of the Issue	<p>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</p> <p>CRISIL Ratings Limited CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400076 IN Tel: +1800 267 1301 Email: crisilratingdesk@crisil.com Contact Person: Krishnan Sitaraman</p>
I	Auditors of the Issuer	<p>M/s Walker Chandiok & Co LLP Chartered Accountants Firm Registration No. 001076N/N500013 11th Floor, Tower 11, One International Center, B Marg Prabhadevi (W) Mumbai - 400013</p> <p>Suresh Surana & Associates LLP, Chartered Accountant Firm Registration No. 121750W/W100010 Apex Towers, 2nd Floor No 54, 2nd Main Road, Raja Annamalaipuram, Chennai – 600 028</p>

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 1700+ locations spread across 22 states/union territory pan-India. Through a vast network of branches, it provides customized finance for the widest range of utility vehicles, tractors, cars, two-wheeler, other commercial vehicles and Loan against property (LAP), focusing on the semi-urban and rural sector.

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

Business of the Issuer

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

In order to minimize the time taken for review by three layers in every process, we have, through technology, achieved reduced / minimum flow of documents physically. In many of the processes the checkers role is embedded in the validation mode in the system so that there is no physical verification is necessary for ensuring accuracy.

The following process 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.

Strengths

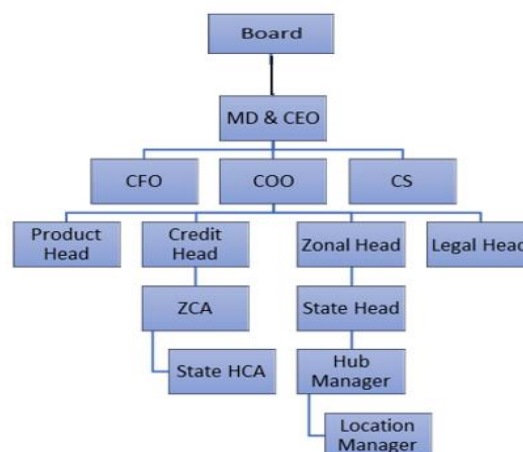
The core strengths of our business are:

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

The following illustration sets out the organization structure:



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. Vikas Jain has been appointed as the CFO of Hinduja Leyland Finance. He has been with the company for almost 4 years. Mr. Vikas is Qualified Chartered Accountant and he joined us from Bajaj Finserv, Pune where he was heading Corporate Audit for Bajaj Housing Finance. During his tenure at Bajaj Finserv, he played a key role to set corporate audit processes and manage audits of all business and functions. Prior to Bajaj Finserv, he had a 5 year stint with Price Waterhouse Coopers, Mumbai as part of Assurance advisory group for Financial services.
3. Mr. Vamsi Kumar is the Chief Operating Officer of our Company. He holds a Masters Degree in Business Administration with over 22 years of experience in handling overall strategy – vehicle and supply chain finance, consumer loans, risk and receivables management, process and compliance. Prior to joining HLF he was the Group business head at Reliance Capital. Prior to that he was also associated with HDFC Bank and Bajaj Auto Finance

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	52	00133410	24, Carlton House Terrace, London SW1Y5AP, United Kingdom
Mr. Sachin Pillai Designation: Managing Director and Chief Executive Officer Occupation: Service	52	06400793	Appu, 24/37, Radhakrishna Nagar Main Road, Thiruvanmiyur, Near Saraswathi School, Chennai 600041, India
Mr. Gopal Mahadevan Designation: Non-executive Director Occupation: Service	57	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 Occupation: Service	64	06431686	703, Casa Grande, 7 th Floor, S B Marg, Lower Parel West Mumbai Maharashtra 400013, India
Mr. G.S. Sundararajan Designation: Independent Director Occupation: Service	63	00361030	Flat 1002, The Summit, No. 6, 1st Avenue, Shastri Nagar, Chennai – 600020, India
Mr. R. S. Sharma Designation: Independent Director Occupation: Service	72	00013208	B3-1102, The World Spa (W), Sector 30, Gurgaon 122 001, Haryana, India
Mr. Debabrata Sarkar Designation: Independent Director Occupation: Service	70	02502618	Mayfair Boulevard (Narayan Apartments) Flat No. 701, Main Avenue Santacruz (West), Mumbai 400 054, Maharashtra, India
Ms. Manju Agarwal Designation: Independent Director Occupation: Service	66	06921105	14254 ATS One Hamlet, GH 01, Sector 104, Noida, Gautam Buddha Nagar, Uttar Pradesh- 201301, India

Name, Designation and Occupation	Age (years)	DIN	Address
Ms. Mandeep Maitra Designation: Independent Director Occupation: Service	57	06937451	1203, Emerald Isle, Saki Vihar Road powai, Gate No-6, L And T Reality Mumbai – 400072
Mr. Jean Brunol Designation: Independent Director Occupation: Service	71	03044965	34 Boulevard Victor HUGO,92 200 Neuilly Sur Seine, France

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 needs at affordable cost. It has 1700+ locations as on date spread across 22 states / union territories 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 made investments in Gro Digital Platform (a 50:50 joint venture between ALL and HLF), which provides various solutions to Transporters and Gaadimandi Platform (100% owned by HLF), which is a digital platform for buying and selling of pre-owned vehicles.

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.

CREDIT RATING

Bank Loan Ratings

Month	Amount Rated (in Crores)	Rating	Remarks
November 24, 2023	19,503.00	CARE AA (Stable)	Reaffirmed
November 24, 2023	200.00	CARE A1+	Reaffirmed
November 24, 2023	7,000.00	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 upto INR 1,800 Crores.

Non-Convertible Debentures

Month	Amount Rated (in Crores)	Rating	Remarks
November 24, 2023	900	CARE AA / Stable	Reaffirmed
November 24, 2023	295	CARE PP MLD / Stable	Reaffirmed
November 24, 2023	200	CRISIL AA Stable	Reaffirmed
November 24, 2023	2000	CRISIL AA Stable	Reaffirmed

Sub-Ordinated Debts

Month	Amount Rated (in Crores)	Rating	Remarks
November 24, 2023	1025	CARE AA / Stable	Reaffirmed
November 24, 2023	150	CARE PP MLD / Stable	Reaffirmed
November 24, 2023	1,100	CRISIL AA Stable	Reaffirmed

On November 24, 2023 & November 24, 2023, credit rating letter was issued by CARE Ratings Limited & CRISIL Ratings Limited and has assigned the credit rating of the issuance of Proposed Non-Convertible Debenture issue programme. The rating letter issued by Rating Agency for the present issue is attached herewith as Annexure 3.

Subsidiaries of the Company

Hinduja Housing Finance Limited & Gaadi Mandi Digital Platforms 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.

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 as on March 2023 is ₹ 3.68 Billion.

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

1.

Rs. In Crores

Balance Sheet	Standalone				Consolidated			
	HY Sep 2023	2022-23	2021-22	2020-21	HY Sep 2023	2022-23	2021-22	2020-21
Net Fixed assets	223	150	118	111	245	158	121	113
Current assets	12,329	10,460	7,951	7,605	13,756	10,971	8,611	7,841
Non-current assets	16,862	16,050	12,892	14,207	22,589	21,290	15,744	16,286
Total assets	29,414	26,660	20,961	21,923	36,590	32,419	24,476	24,240
Debt Securities	80	80	879	683	80	80	879	683
Borrowings (other than debt securities)	14,101	12,077	8,009	8,561	18,989	16,037	10,673	10,137
Deposits	2	2	2	2	-	-	-	-
Subordinated liabilities	763	919	1,041	1,140	862	918	1,041	1,140
Other financial liabilities	69	115	96	42	92	116	96	42
Provisions	2	2	3	4	5	3	3	5
Deferred tax liabilities (net)	226	205	176	217	243	214	171	214
Other non-financial liabilities	-	-	-	-	-	-	-	-
Total Non-Current Liabilities	15,243	13,400	10,205	10,649	20,271	17,368	12,863	12,221
Debt Securities	625	879	450	635	625	879	450	635

Borrowings (other than debt securities)	7,099	6,620	5,749	6,172	8,610	7,896	6,334	6,761
Deposits	-	-	-	-	-	-	-	-
Subordinated liabilities	524	125	180	211	524	125	180	211
Other financial liabilities	575	466	485	407	610	509	501	416
Provisions	-	-	-	-	-	-	-	-
Deferred tax liabilities (net)	-	-	-	-	-	-	-	-
Other non-financial liabilities	7	6	10	6	15	11	12	8
Other payables	39	31	31	17	40	33	34	20
Total Current Liabilities	8,869	8,127	6,905	7,449	10,424	9,467	7,510	8,052
Equity (equity and other equity)	5,302	5,133	3,852	3,825	5,895	5,599	4,103	3,967
Total equity and liabilities	29,414	26,660	20,961	21,923	36,590	32,419	24,476	24,240

Profit and Loss	HY Sep 2023	2022-23	2021-22	2020-21	HY Sep 2023	2022-23	2021-22	2020-21
From operations	1,570	2,750	2,645	2,753	2,064	3,452	3,080	3,013
Other income	5	5	16	22	21	50	26	41
Total revenue	1,575	2,755	2,775	2,927	2,085	3,502	3,106	3,053
Total Expenses	1,388	2,383	2,356	2,423	1,730	2,845	2,658	2,621
Profit / loss before tax	187	372	313	352	354	657	448	433
Profit / loss after tax	139	277	232	270	267	490	341	333
Other comprehensive income	28	93	-208	305	29	94	-207	305
Total comprehensive income	168	369	24	575	296	584	134	639
Earnings per equity share (face value `10 each)								
Basic (in Rs)	2.6	5.5	4.9	5.8	4.99	9.80	7.26	7.10
Diluted (in Rs)	2.6	5.5	4.9	5.8	4.99	9.80	7.25	7.09

Cash Flow	HY Sep 2023	2022-23	2021-22	2020-21	HY Sep 2023	2022-23	2021-22	2020-21
Net cash generated from operating activities	-2,174	-4,095	982	-243	-3,550	-6,174	-190	-1,012
Net cash used in / generated from investing activities	-461	-1,000	-49	-172	-396	-830	42	-149
Net cash used in financing activities	2,445	5,253	-944	395	3,707	7,240	140	1,137
Cash and cash equivalents beginning of year	956	798	808	829	1,047	811	819	843
Balance as per statement of cash flows	766	956	798	808	808	1,047	811	819

Additional information	HY Sep 2023	2022- 23	2021- 22	2020- 21	HY Sep 2023	2022- 23	2021- 22	2020- 21
Net worth	5,302	5,133	3,852	3,825	5,895	5,599	4,103	3,967
Cash and Cash Equivalents	766	956	798	808	808	1,047	811	819
Current Investments	1,244	739	257	105	1,244	739	270	119
Assets Under Management	33,606	30,239	26,021	27,294	42,010	36,906	30,048	29,879
Off Balance Sheet Assets	6,098	5,650	4,904	5,054	7,056	6,284	5,189	5,137
Total Debts to Total assets	78.8%	77.6%	77.8%	78.6%	81.1%	80.0%	79.9%	80.7%
Debt Service Coverage Ratios	1.2	1.3	1.3	1.3	1.4	1.4	1.3	1.3
Interest Income	1,575	2,755	2,645	2,753	2,085	3,452	3,080	3,013
Interest Expense	922	1,399	1,337	1,427	1,158	1,721	1,534	1,566
Interest service coverage ratio	1.2	1.3	1.3	1.3	1.4	1.4	1.3	1.3
Provisioning & Write-offs	261	606	704	736	286	647	747	753
Gross NPA (%) on AUM	3.4%	3.7%	4.2%	4.0%	3.2%	3.5%	4.2%	3.9%
Net NPA (%) on AUM	2.2%	2.5%	2.9%	2.0%	2.0%	2.3%	2.9%	2.0%
Tier I Capital Adequacy Ratio (%)	15.6%	17.1	15.9	15.3				
Tier II Capital Adequacy Ratio (%)	2.3%	1.5	2.8	2.7				

g) GROSS DEBT EQUITY RATIO OF THE COMPANY

Before the issue of Debentures as on September 30, 2023	4.4
After the issue of Debentures	4.4

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

NA

i) CLASSIFICATION OF LOANS AND ADVANCES

a) Type of loans

S.No	Type of loans	FY 22-23
1	Secured	29,750
2	Un-Secured	489
	Total assets under management (AUM)	30,239

b) Details of Sectoral exposures and NPA

(Amount in Crore)

S.No	Segment wise break up of AUM	% of AUM in FY23
1	Retail	
A	Mortgages	
	- Home Loan	
	- Loan against property	

B	Gold Loan	
C	Vehicle Finance	4.2
D	MFI	
E	MSME	6.4
F	Capital Market Funding	
G	Others-(agriculture & allied activities)	8.7
2	Whole Sale	
a	Infrastructure	
b	Real Estate	
c	Promoter Funding	
d	Any Other Sector	
e	Others	
	Total	4.9

c) **Details of Outstanding loans category wise**

Sr. No	TICKET SIZE	FY22-23 (Percentage of AUM)
1	1. <= 2.5 lacs	10.3
2	2. >= 2.51 Lacs and <= 5.0 Lacs	5.5
3	3. >= 5.0 Lacs and <= 7.5 Lacs	5.5
4	4. >= 7.5 Lacs and <= 10.0 Lacs	3.9
5	5. >= 10.0 Lacs and <= 15.0 Lacs	2.9
6	6. > 15.0 Lacs <=20.0 LACS	4.9
7	7. > 20.0 Lacs <= 25.0 Lacs	6.0
8	8. >= 25.0 Lacs	60.9
	Total	100.0

d) **Details of Top 5 States borrower wise**

Sr. No	Top 5 States	FY22-23 (Percentage of AUM)
1	TAMIL NADU	17.0
2	RAJASTHAN	11.6
3	MAHARASHTRA	10.2
4	KARNATAKA	6.4
5	ANDHRA PRADESH	4.8

e) **Details of loans overdue and classified as non-performing**

(Amount in Crore)

Particulars		FY 22-23
(i)	Movement of NPAs (Gross)	
	Opening balance	1,328.3
	Additions during the year	1,189.5

	Reductions during the year	1,387.9
	Closing balance	1,130.0
(ii)	Movement of Net NPAs	
	Opening balance	872.2
	Additions during the year	1,038.3
	Reductions during the year	1,148.0
	Closing balance	762.5
(iii)	Movement of provisions for NPA	
	Opening balance	456.2
	Provisions made during the year	151.2
	Write-off / write-back of excess provisions	239.9
	Closing balance	367.4

f) **Residual maturity profile of assets and liabilities – ALM**

(Amount in Crores)

Particulars	FY 2022-23		
	Borrowings from banks	Loans & Advances	Investments
1 day to 7 days	12	258	120
8 days to 14 days	67	35	200
15 days to 30/31 days	222	376	16
Over one month to 2 months	409	846	21
Over 2 months to 3 months	848	936	217
Over 3 months to 6 months	1,560	1,990	77
Over 6 months to 1 year	2,851	3,798	87
Over 1 year to 3 years	8,656	7,790	153
Over 3 years to 5 years	3,375	3,267	100
Over 5 years	46	2,369	1,279
Total	18,047	21,666	2,270

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 1700+ locations spread across 22 states / union territories pan-India. Through a vast network of branches, it provides customized finance for the widest range of utility vehicles, tractors, cars, two wheeler, other commercial vehicles and Loan against property (LAP), focusing on the semi-urban and rural sector.

Hinduja Leyland Finance Limited is 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	12 th November, 2008
RBI Registration No.	N-07-00782
Corporate Identity Number	U65993MH2008PLC384221
Permanent Account Number	AACCH1807P
Constitution	Public limited Company operating as Systemically Important, Non-Deposit taking NBFC
Name of the Chief Functionary	Mr. Sachin Pillai Designation: Managing Director and Chief Executive Officer
Financial Year	1 st April to 31 st March
Credit Rating	CARE A1+ from CARE for Commercial Paper CRISIL A1+ from CRISIL for Commercial Paper CARE AA (Stable) from CARE for Bank Loans, Non-Convertible Debentures, Subordinated debt and PP MLD AA Market-Linked Debentures CRISIL AA (Stable) from CRISIL for Bank Loans, Non-Convertible Debentures and Subordinated debt.
Registered Office	Plot No. C-21, Tower C (1-3 Floor), G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051 Tel:022-6136 0407 Fax: 022-2496 0707 Website: http://www.hindujaleylandfinance.com Email ID: compliance@hindujaleylandfinance.com
Statutory Auditors	M/s Walker Chandiook & Co LLP Chartered Accountants Firm Registration. No. 001076N/N500013 11 th Floor, Tower 11, One International Center, B Marg Prabhadevi (W) Mumbai - 400013 Suresh Surana & Associates LLP, Chartered Accountant Firm Registration No. 121750W/W100010 Apex Towers, 2 nd Floor No 54, 2 nd Main Road, Raja Annamalaipuram, Chennai – 600 028

b) CAPITAL STRUCTURE

(i) Details of Share Capital as on September 30, 2023

Share Capital	Aggregate Nominal Value (in 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	
53,51,03,490 equity shares of Rs.10 each	5,35,10,34,900

(ii) Details of present offer

Particulars	Amount in INR Crores	Remarks
Size of the present offer	50	ISSUE OF UPTO 5,000 (FIVE THOUSAND HUNDRED) RATED, LISTED, UNSECURED, SUBORDINATED, REDEEMABLE, TAXABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000 (INDIAN RUPEES ONE LAKH ONLY) EACH AND THE AGGREGATE FACE VALUE OF INR 50,00,00,000 (FIFTY CRORE ONLY) FOR VALUE AT PAR, IN DEMATERIALIZED FORM ON A PRIVATE PLACEMENT BASIS ("THE ISSUE")
Paid-up capital		
➤ After the offer	535	Nil
➤ After conversion of convertible instruments (if applicable)	535	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.
Share Premium account		
➤ Before the offer	1813	Nil
➤ After the offer	1813	Nil

(iii) Details of changes in authorised capital structure as on March 31, 2023 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 September 30, 2023 and for the last five years (Also, refer note below)

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

Date of Allotment	No. of shares issued	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash, etc)	Nature of allotment	Cumulative			Remarks
						No of equity shares	Equity share capital (Rs.)	Equity share premium (Rs)	
21/05/2019	18,000	10	28	Cash	ESOP	46,96,88,990	46,96,889,900	18	N. A
21/05/2019	26,000	10	54.40	Cash	ESOP	46,97,14,990	46,97,149,900	44.40	N. A
21/05/2019	5,000	10	110	Cash	ESOP	46,97,19,990	46,97,199,900	100	N. A
23/09/2019	10,000	10	75	Cash	ESOP	46,97,29,990	46,97,299,900	65	N. A
11/12/2019	22,500	10	54.40	Cash	ESOP	46,97,52,490	46,97,524,900	44.40	N. A
21/10/2020	15,000	10	28	Cash	ESOP	46,97,67,490	46,97,674,900	18	N. A
21/10/2020	15,000	10	75	Cash	ESOP	46,97,82,490	46,97,824,900	65	N. A
07/04/2021	46,500	10	28	Cash	ESOP	46,98,28,990	46,98,289,900	18	N. A
13/07/2021	15,000	10	75	Cash	ESOP	46,98,43,990	46,98,439,900	65	N. A
20/12/2021	19,000	10	54.40	Cash	ESOP	46,98,62,990	46,98,629,900	44.40	N. A
29/03/2022	10,000	10	28	Cash	ESOP	46,98,72,990	46,98,729,900	18	N. A
29/03/2022	20,000	10	54.40	Cash	ESOP	46,98,92,990	46,98,929,900	44.40	N. A
27/07/2022	4,000	10	54.40	Cash	ESOP	46,98,96,990	46,98,969,900	44.40	N. A
13/10/2022	6,50,00,000	10	140.00	Cash	Preferential Allotment	53,48,96,990	53,48,969,900	130	N. A

Date of Allotment	No. of shares issued	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash, etc)	Nature of allotment	Cumulative			Remarks
						No of equity shares	Equity share capital (Rs.)	Equity share premium (Rs)	
18/11/2022	1,00,000	10	110.00	Cash	ESOP	53,49,96,990	53,49,969,900	100	N,A
18/11/2022	21,000	10	54.40	Cash	ESOP	53,50,17,990	53,50,179,900	44.40	N.A
09/02/2023	2,000	10	54.40	Cash	ESOP	53,50,19,990	535,01,99,900	44.40	N.A
06/04/2023	25,500	10	28.00	Cash	ESOP	53,50,45,490	535,04,54,900	18.00	NA
09/05/2023	21,000	10	54.40	Cash	ESOP	53,50,66,490	535,06,64,900	44.40	N.A
26/07/2023	6000	10	54.40	Cash	ESOP	53,50,72,490	535,07,24,900	44.40	NA
20/09/2023	31,000	10	54.40	Cash	ESOP	53,51,03,490	535,10,34,900	44.40	NA

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 September 30, 2023

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	32,32,46,338	32,32,46,338	60.41%
Hinduja Automotive Limited	Equity	6,92,77,542	6,92,77,542	12.95%
Abridge Investments Ltd	Equity	3,50,00,000	3,50,00,000	6.54%
Aviator Global Investment Fund	Equity	2,85,00,000	2,85,00,000	5.33%
Elara India Opportunities Fund	Equity	2,79,90,000	2,79,90,000	5.23%
The Great International Tusker Fund	Equity	1,36,00,000	1,36,00,000	2.54%
Connecor Investment Enterprises Ltd	Equity	1,00,00,000	1,00,00,000	1.87%
LGOF Global Opportunities Fund	Equity	1,00,00,000	1,00,00,000	1.87%
Hinduja Capital Limited (formerly known as Hinduja Power Limited)	Equity	71,86,550	71,86,550	1.34%
Afrin Dia	Equity	65,00,000	65,00,000	1.21%
Others – ESOP / other shareholders	Equity	33,13,672	33,13,672	0.62%
Aasia Corporation LLP	Equity	4,89,388	4,89,388	0.09%
Total Equity Shares		53,51,03,490	53,51,03,490	100

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 September 30, 2023

S. no	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
1	Ashok Leyland Limited	Equity	32,32,46,338	32,32,46,338	60.41
2	Hinduja Automotive Limited	Equity	6,92,77,542	6,92,77,542	12.95
3	Abridge Investments Ltd	Equity	3,50,00,000	3,50,00,000	6.54
4	Aviator Global Investment Fund	Equity	2,85,00,000	2,85,00,000	5.33
5	Elara India Opportunities Fund Limited	Equity	2,79,90,000	2,79,90,000	5.23

6	The Great International Tusker Fund	Equity	1,36,00,000	1,36,00,000	2.54
7	LGOF Global Opportunities Limited	Equity	1,00,00,000	1,00,00,000	1.87
8	Connecor Investment Enterprise Ltd	Equity	1,00,00,000	1,00,00,000	1.87
9	Hinduja Capital Limited (Formerly Known As Hinduja Power Limited)	Equity	71,86,550	71,86,550	1.34
10	Afrin Dia	Equity	65,00,000	65,00,000	1.21
	Total Equity Shares		53,13,00,430	53,13,00,430	99.29

c) DETAILS REGARDING DIRECTORS OF THE COMPANY

(i) Details of Current directors of the Company*

Name, Designation and Occupation	Age (years)	DIN	Address	Director of the Company since
Mr. Dheeraj G Hinduja Designation: Chairman Occupation: Industrialist	52	00133410	24, Carlton House Terrace, London SW1Y4TE, United Kingdom	30-Aug-11
Mr. Sachin Pillai Designation: Managing Director and Chief Executive Director Occupation: Service	51	06400793	Appu, 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	57	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	64	06431686	703, Casa Grande, 7 th Floor, S B Marg, Lower Parel West Mumbai Maharashtra 400013 India	13-Aug-15

Name, Designation and Occupation	Age (years)	DIN	Address	Director of the Company since
Mr. G.S. Sundararajan Designation: Independent Director Occupation: Service	62	00361030	Flat 1002, The Summit, No. 6, 1st Avenue, Shastri Nagar, Chennai – 600020, India	21-May-19
Mr. R. S. Sharma Designation: Independent Director Occupation: Service	72	00013208	B3-1102, The World Spa (W), Sector 30, Gurgaon 122 001, Haryana, India	19-Dec-13
Mr. Debabrata Sarkar Designation: Independent Director Occupation: Service	69	02502618	Mayfair Boulevard (Narayan Apartments) Flat No. 701, Main Avenue Santacruz (West), Mumbai 400 054, Maharashtra, India	16-Mar-15
Ms. Manju Agarwal Designation: Independent Director Occupation: Service	65	06921105	14254 ATS One Hamlet, GH 01, Sector 104, Noida, Gautam Buddha Nagar, Uttar Pradesh- 201301, India	5-Jun-2018
Mr. Jean Brunol Designation: Independent Director Occupation: Independent Director Occupation: Service	71	03044965	34 Boulevard Victor HUGO, 92 200 Neuilly Sur Seine, France	22-March- 2022
Ms. Mandeep Maitra Designation: Independent Director Occupation:	58	06937451	1203, Emerald Isle, Saki Vihar Roadpowai, Gate No-6, L And T Reality Mumbai – 400072	21-03-2023

Name, Designation and Occupation	Age (years)	DIN	Address	Director of the Company since
Service				

* 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
Ms. Bhumika Batra DIN: 03502004	November 4, 2020	February 27, 2023	November 4, 2020	Independent Director	N/A
Dr. Andreas Biagosch DIN: 06570499	November 10, 2016	November 9, 2021	November 10, 2016	Independent Director	N/A
Mr. Jean Brunol DIN: 03044965	March 22, 2022	-	March 22, 2022	Independent Director	N/A
Dr. Mandeep Maitra DIN: 06937451	March 21, 2023	-	March 21, 2023	Independent Director	NA
Mr. S Nagarajan DIN: 00009236	November 12, 2008	March 31, 2023	November 12, 2008	Whole Time Director and Executive Vice Chairman	NA

d) DETAILS REGARDING AUDITORS OF THE COMPANY

(i) Details of the auditor of the Company

Name	Address	Auditor since
Walker Chandiok & Co LLP	11th Floor, Tower 11, One International Center, S B Marg Prabhadevi (W), Mumbai – 400013	19/09/2022

Suresh Surana & Associates LLP	Apex Towers 2nd Floor, No.54 (Old No.42) Second Main Road, R.A. Puram, Chennai – 600028	19/09/2022
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(ii) Details of change in auditor since last three years

Name	Address	Date of Appointment / Resignation	Auditor of the Company since (in case of resignation)	Remarks
M/s B S R and Associates	No. 10, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034	01/07/2013	04/07/2019	Expiry of Tenure
M/s Deloitte Haskins & Sells	19th Floor, 46-Prestige Trade Tower, Palace Road, High Grounds, Bengaluru, Karnataka – 560001	04/07/2019	19/09/2022	Expiry Of Tenure
Suresh Surana & Associates LLP	Apex Towers 2nd Floor, No.54 (Old No.42) Second Main Road, R.A. Puram, Chennai – 600028	19/09/2022		Appointed as Statutory Auditor of the Company at the Annual General Meeting of the Company held on 19 th September, 2022 for a period of 2 years (Previously appointed in the FY 2021-22)
Walker Chandiook & Co LLP	11th Floor, Tower 11, One International Center, S B Marg Prabhadevi (W) Mumbai – 400013	19/09/2022		Appointed as Statutory Auditor of the Company at the Annual General Meeting of the Company held on 19 th September, 2022 for a period of 3 years(Appointed further to the retirement of Statutory Auditors M/s. Deloittee Haskins & Sells)

e) DETAILS OF BORROWINGS OF THE COMPANY, AS ON 30th September 2023**(i) Details of secured loan facilities**

Name	Type Of Facility	No. Of Facility	Amount Sanctioned (Rs. In Crores)	Amount Outstanding (Rs. In Crores)	Limit Available (Rs. In Crores)
Axis Bank	Term Loan	7	858.3	858.3	-
Bajaj Finance Limited	Term Loan	3	95.8	95.8	-
Bandhan Bank	Term Loan	2	268.4	268.4	-
Bank of Baroda	Term Loan	7	2,536.1	1,736.1	800.0
Bank of India	Term Loan	2	1,212.1	812.1	400.0
Bank of Maharashtra	Term Loan	2	537.5	537.5	-
Canara Bank	Term Loan	10	2,674.0	2,674.0	-
Central Bank of India	Term Loan	6	654.7	654.7	-

City Union Bank	Term Loan	1	200.0	100.0	100.0
CSB Bank	Term Loan	1	66.6	66.6	-
DBS	Term Loan	2	100.0	100.0	-
Deutsche Bank	Term Loan	5	588.5	588.5	-
Development Credit Bank Ltd	Term Loan	1	115.0	115.0	-
Equitas	Term Loan	1	83.3	83.3	-
Federal Bank	Term Loan	3	306.7	306.7	-
HDFC Bank	Term Loan	14	1,639.1	1,639.1	-
IDBI Bank	Term Loan	2	403.3	403.3	-
Indian Bank	Term Loan	19	1,048.6	1,048.6	-
Indian Overseas Bank	Term Loan	1	216.2	216.2	-
Karnataka Bank Limited	Term Loan	3	287.2	287.2	-
Karur Vysya Bank	Term Loan	1	93.7	93.7	-
Kotak Mahindra Bank	Term Loan	2	185.3	185.3	-
Mudra	Term Loan	2	192.5	192.5	-
Punjab National Bank	Term Loan	22	3,316.9	3,316.9	-
SIDBI	Term Loan	7	2,591.5	2,591.5	-
South Indian Bank	Term Loan	2	112.5	112.5	-
State Bank of India	Term Loan	4	1,217.2	1,217.2	-
UCO Bank	Term Loan	2	175.8	175.8	-
Ujjivan Small Finance Bank	Term Loan	2	58.3	58.3	-
Union Bank of India	Term Loan	7	1,541.3	1,541.3	-
Grand Total			23,376.6	22,076.6	1,300.0

(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
1	Northern Arc	Unsecured Loan	75	75	Bullet

(iii) Details of Non-Convertible Debentures

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	INE146O08100	7 Yrs	9.40%	100	28-Aug-17	28-Aug-24	“AA” by CARE	Unsecured	Nil
2	INE146O08118	7 Yrs	9.20%	100	13-Sep-17	13-Sep-24	AA by CARE	Unsecured	Nil
3	INE146O08134	7 Yrs	10.15%	100	27-Mar-18	27-Mar-25	AA by CARE	Unsecured	Nil
4	INE146O08142	6 Yrs	9.70%	150	18-Sep-18	18-Sep-24	PP-MLD AA by CARE	Unsecured	Nil
5	INE146O08159	5 yrs 6 month	11.60%	100	28-Mar-19	29-Sep-24	AA by CARE and AA-CRISIL	Unsecured	Nil

6	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.
7	INE146O08167	66 months	9.75%	45	16-Feb-21	18-Aug-26	AA- by CRISIL	Unsecured	Nil
8	INE146O08175	67 months	9.75%	55	08-Mar-21	08-Oct-26	AA- by CRISIL	Unsecured	Nil
9	INE146O08183	66 months	9.75%	50	19-Mar-21	18-Sep-26	AA- by CRISIL	Unsecured	Nil
10	INE146O08191	66 months	9.75%	75	26-Mar-21	25-Sep-26	AA by CARE and AA-CRISIL	Unsecured	Nil
11	INE146O07458	30 months	7.80%	125	25-May-21	24-Nov-23	CARE PP MLD AA	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.
12	INE146O08209	84 months	9.75%	50	22-Apr-21	21-Apr-28	AA by CARE and CRISIL AA-	Unsecured	Nil
13	INE146O08175 (Re-issue)	65 months	9.75%	50	30-Apr-21	08-Oct-26	AA- by CRISIL	Unsecured	Nil
14	INE146O08217	66 months	9.70%	50	19-Jul-21	19-Jan-27	AA by CARE	Unsecured	Nil
15	INE146O07466	27 months	7.80%	50	29-Sep-21	29-Dec-23	AA by CARE	Secured	Secured by specific assets by pari passu charge on hypothecation loan receivables with a security cover of 110%

16	INE146O07466 (reissue)	26 months	7.80%	50	02-Nov-21	29-Dec-23	AA by CARE	Secured	Secured by specific assets by pari passu charge on hypothecation loan receivables with a security cover of 110%
17	INE146O07474	24 months	7.45%	200	08-Mar-22	08-Mar-24	AA by CARE	Secured	Secured by specific assets by pari passu charge on hypothecation loan receivables with a security cover of 110%
18	INE146O07482	36 months	8.60%	80	27-Jan-23	27-Jan-26	AA by CARE	Secured	Secured by specific assets by pari passu charge on hypothecation loan receivables with a security cover of 100%
19	INE146O08225	120 Months	9.50%	75	22-Jun-23	22-Jun-33	AA by CARE& CRISIL	Unsecured	Nil
20	INE146O08233	120 Months	9.45%	135	23-Aug-23	23-Aug-33	AA by CARE& CRISIL	Unsecured	Nil
21	INE146O08233 (Reissue)	119 Months	9.45%	90	20-Sep-23	23-Aug-33	AA by CARE& CRISIL	Unsecured	Nil
22	INE146O08233 (Reissue)	117 Months	9.45%	50	13-Nov-23	23-Aug-33	AA by CARE& CRISIL	Unsecured	Nil
23	INE146O08233 (Reissue)	117 Months	9.45%	35	21-Nov-23	23-Aug-33	AA by CARE& CRISIL	Unsecured	Nil

(iv) List of Top 10 debenture holders as on September 30, 2023

Name of the Debenture Holder	Amount (INR crores)
State Bank Of India	200
The South Indian Bank Ltd	100
Kotak Mahindra Investments Limited	100
HDFC Mutual Fund-HDFC Floating Rate Debt Fund	100
HVPNL Employees Pension Fund Trust	85
Sporta Technologies Private Limited	75
HPGCL Employees Pension Fund Trust	60
The Karnataka Bank Ltd	50

UTI- Ultra Short Term Fund	50
AU Small Finance Bank Limited	50

(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 September 30 2023:

Series	ISIN No	Tenor	Coupon	Amount Issue FV (Rs crs.)	Allotment Date	Maturity Date	Rating	Secured/ Unsecured
1	INE146O14BL2	91 Days	7.85%	250	22-Sep-23	15-Dec-23	CARE/CRISIL A1+	Unsecured

(vii) List of top 10 holders of Commercial Paper in terms of Value:

(Rs. In Crores)

SI No.	Name of Holders	Category Of Holders	Face Value	Percentage of Holding
1	UTI-Liquid Cash Plan	Mutual Funds	100	40.0%
2	Baroda BNP Paribas Liquid Fund	Mutual Funds	150	60.0%

(viii) Details of rest of the borrowings (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on 30th September 2023

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

(ix) 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

(x) 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

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

Nil

f) Additional disclosures with regard to Non-Banking Finance Company

Details with regard to the lending done by the issuer out of the issue proceeds of debt securities in last three years, including details regarding the following

a. Lending Policy:

For our asset finance business, we have developed stringent credit policies in order to ensure the asset quality of our loan portfolio and the security provided for such loans. Most of the vehicles we finance are used for commercial purposes. As these are income-generating assets, we believe that this asset class reduces our credit risk. Any deviation from our standardized credit policies requires prior approval.

We have developed a standardized credit scoring methodology that is used for the credit evaluation of a potential borrower, which takes into account location of loan originated, loan-to value ratio, age of borrower, type of financing product, credit history of borrower, existing credit profile borrower, type of borrower, i.e. whether an individual, a dealer or a corporate entity, and the number of existing loans. Our credit policies include guarantor requirement, loan approval limits, age limit for used vehicles, prepayment charges, inspection of RTO records, physical inspection and trade reference, etc.

b. Classification of loans/ advances given to associates, entities/ person relating to board, senior management, promoters, others, etc.;

None

Classification of loans/ advances given, according to type of loans, denomination of loan outstanding by loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers, maturity profile etc.;

Details under classification of loans and advances under the heading “Brief Summary of the Business/Activities of the Issuer and its line of business”

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

Concentration of Advances:

	FY23	FY22
Total advances to Top 20 borrowers (in Rs crores)	981	631.1
Percentage of advances to 20 largest borrowers to Total advances of the applicable NBFC	4.3%	3.35%

Concentration of Exposure:

	FY23	FY22
Total exposure to Top 20 borrowers (in Rs crores)	1,187	1,022.5
Percentage of exposure to 20 largest	5.2%	5.43%

borrowers to Total advances of the applicable NBFC		
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3.1.A portfolio summary with regard to industries/ sectors to which borrowings have been made;

Details under classification of loans and advances under the heading “Brief Summary of the Business/Activities of the Issuer and its line of business”

3.2.NPA exposures of the issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the issuer;

Details under classification of loans and advances under the heading “Brief Summary of the Business/Activities of the Issuer and its line of business”

3.3.Quantum and percentage of secured vis-à-vis unsecured borrowings made; and

Details under classification of loans and advances under the heading “Brief Summary of the Business/Activities of the Issuer and its line of business”

3.4.Any change in promoters’ holdings during the last financial year beyond the threshold, as prescribed by RBI:

Not Applicable

g) 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:

Please refer financials as referred in Annexure 6

(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.

Please refer financials as referred in Annexure 6

(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 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
4	2020-21	3983	Employee defalcation	Under Investigation by the Company and recovered Rs.2540 Lakh till date

- (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
2022-23	372	277
2021-22	313	232
2020-21	352	270

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

(Amount in Cr.)

Financial Year	Dividend
2022-23	Nil
2021-22	Nil
2020-21	Nil

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

Financial Year	Ratio
2022-23	1.3
2021-22	1.2
2020-21	1.3

- h) 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, 30th September 2023

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	32,32,46,338	32,32,46,338	60.41	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 Half Year Ended 30th September 2023

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.

(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

18th May, 2023

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

31st July, 2023

(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 1,00,000 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 30th November, 2023 (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.

(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.

(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 regulation 8 of Securities Exchange and Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 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 and CRISIL Ratings issued on 30th October, 2023 is 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.).

- ✓ The Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013
 - ✓ 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 Non-Convertible Securities) Regulation, 2021
 - ✓ 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, **except the below para** 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.

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

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

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

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

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 Stable and CRISIL AA Stable** for the Subordinate Debt of INR 50 Crores (Rupees Thirty Five 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	9.40% HLFL Sub debt Jan2031
Issuer	Hinduja Leyland Finance Limited (HLFL/ The Company/ Issuer)
Trustee	IDBI Trusteeship Services Limited
Type of Instrument	Rated, Listed, Unsecured, Subordinated, Redeemable, Transferrable, Taxable, Non- Convertible Debentures (NCDs/Debentures)
Nature of Instrument	Unsecured
Seniority	Subordinated
Mode of Issue	Private Placement
Eligible Investors	<ul style="list-style-type: none"> • 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 22(b) below; or • Any other investor category eligible to invest subject to current applicable rules, act, laws etc. <p>All Eligible Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.</p> <p>Note: Participation by potential investors in the issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.</p>
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. In case of delay in listing of the debentures beyond 3 trading days from the Issue close date, the company will pay a penal interest of 1% 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	CRISIL AA/Stable by CRISIL Ratings Limited CARE AA/Stable by CARE Ratings Limited

Base Issue Size	Rs. 50,00,00,000 (Rupees Fifty Crores only)
Minimum Subscription	Minimum of 100 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
Option to retain oversubscription (Amount)	Not Applicable
Objects of the issue/Purpose for which there is requirement of funds	The proceeds of the issue will be used for onward-lending in the regular course of business and other general corporate purpose
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:	Not applicable
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	9.40% per annum payable on an annual basis
Step Up/Step Down Coupon Rate	Not applicable
Coupon Payment Frequency	The Coupon shall be payable annually from the Deemed Date of Allotment and on Redemption subject to Business Day Convention more specifically as mentioned as per Annexure 2 of this Placement Memorandum
Coupon Payment Dates	As per Annexure 2
Cumulative / non-cumulative, in case of dividend	Not applicable
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 of source, as 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

	<p>occurrence of such default until the default is cured or the NCDs are redeemed pursuant to such default, as applicable.</p> <p>In case of delay in listing of the debentures beyond 3 trading days from the Issue close date or the debentures are delisted, the company will pay a penal interest of 1% p.a. over the coupon rate from the deemed date of allotment till the listing/ re-listing of the Debt Securities to investors.</p> <p>In case the Company fails to execute this Deed on or before the Deemed Date of Allotment of Debentures, and that in case of delay in execution of this Deed, the Company will pay additional interest of 2% (Two Percent) per annum over the Coupon, over and above the agreed Coupon Rate, till the execution of the Debenture Trust Deed.</p>
Tenor	7 Years 2 Months
Redemption Date	January 30, 2031
Redemption Amount	The sum of the principal amounts outstanding under the Debentures
Redemption Premium/Discount	At Par
Issue Price	Rs.1,00,000/- (Rupees One Lakh Only)
Discount at which security is issued and the effective yield as result of such discount.	Not Applicable
Put Date	Not Applicable
Put Price	Not Applicable
Call Date	Not Applicable
Call Price	Not Applicable
Put Notification Time	Not Applicable
Call Notification Time	Not Applicable
Face Value	Rs 1,00,000/- (Rupees One Lakh Only)
Minimum Application and in multiples of Debt Securities thereafter	Minimum of 100 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	11:00 AM to 12:00 PM
Issue Opening Date	29 th November 2023
Manner of Bidding	Close book bidding
Mode of allotment	Uniform yield
Mode of settlement	ICCL mechanism
Issue Closing Date	29 th November 2023
Date of earliest closing of the issue, if any	29 th November 2023
Pay-in Date	30 th November 2023
Deemed Date of Allotment	30 th November 2023
Settlement mode of the Instrument	By Cheque(s) / demand draft(s) / e-payment or any other mode which is permissible

Depository	NSDL/CDSL
Issuance mode of Instrument	Demat only
Trading mode of Instrument	Demat only
Disclosure of Interest/Dividend / redemption dates	As per Annexure 2
Record Date	15 business days prior to each Coupon Payment / Redemption date
Business Day convention	<p>Means a day (other than a Sunday or a Bank holiday) on which banks are open for general business in Mumbai and Chennai.</p> <p>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, notifications or instructions issued by the Securities and Exchange Board of India</p>
Covenants	<p>Until the Final Settlement Date, the Issuer undertakes follows Covenant:</p> <p>The Company hereby, except the merger with NXT Digital, 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)):</p> <ul style="list-style-type: none"> (i) Change the general nature and conduct of its business from that which is permitted (ii) 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, amalgamation, reconstruction, capital reduction and liquidation, except as permitted under the Transaction Documents, which will have material impact on financials of the company. (iii) 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). (iv) Make any amendments the constitutional documents an in a manner which would prejudicially affect the interests of the Debenture Holder(s). (v) 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. (vi) Wind-up, liquidate or dissolve its affairs. (vii) 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.

	<p>“Management Control” with relation to the Company shall mean -</p> <ol style="list-style-type: none"> 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; (Ownership covenants) <p>(viii) Declare any dividend on its share capital or pay interest on loans/ quasi equity from Promoters, associate companies and/or strategic investors, if:</p> <ol style="list-style-type: none"> a) 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 b) If an Event of Default has occurred and is continuing; or c) Issuer is not in compliance of the Financial Covenants; or d) If the Restricted Payments are not permitted under Applicable Laws <p>Additional Covenants:</p> <ul style="list-style-type: none"> • 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. • The capital adequacy ratio shall be maintained at a minimum of 15% at all points in time and Tier I Capital at 10%. • Net NPA (PAR 90 less provisions) on a standalone basis shall not exceed 6% of the Assets under Management of the Issuer. <p>The Company shall ensure that there is no suspension of the credit rating of the Issuer and/ or the Debentures due to the Company not cooperating with the credit rating agency.</p>
Issuer’s Undertaking	<p>The Issuer undertakes that it has executed/ shall execute the documents including but not limited to the following in connection with the Issue:</p> <ul style="list-style-type: none"> • Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form • Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form <p>Letter appointing Integrated Registry Management Services Limited</p>

	as Registrar and MoU entered into between the Issuer and the Registrar.
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	<p>Including but not limited to the following documents:</p> <ul style="list-style-type: none"> • Consent letter from Trustee to act as Trustee to the Bond holders • Valid Rating letter • In-principle approval letter for listing from BSE • Debenture Trust Agreement • Private placement Offer Letter • Placement Memorandum • 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. <p>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.</p>
Conditions Precedent to Disbursement	<p>The Company shall fulfil conditions precedent customary for issuance of this nature, including but not limited to:</p> <ul style="list-style-type: none"> • HLF will meet all the regulatory requirement pertaining to NBFCs • Credit Rating of [AA/A1+] by CRISIL Ratings Ltd. • Credit Rating of [AA/A1+] by CARE Ratings 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

	<p>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.</p> <ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ 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 <p>All reps are true and valid</p>
<p>Conditions Subsequent to Issuance</p>	<p>The Company shall fulfil conditions subsequent within the prescribed timelines customary for issuance of this nature, including but not limited to:</p> <ul style="list-style-type: none"> • 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 duly signed together with copy of MCA Challan evidencing filing of the same with MCA • Compliance with applicable law (including SEBI regulations) <p>The issuer shall continue to meet the extant RBI requirements related to Capital Adequacy, NPA Recognition, and provisioning throughout the term of this transaction.</p>
<p>Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)</p>	<p>Customary to a transaction of such nature, including but not limited to:</p> <ul style="list-style-type: none"> ▪ The Company does not pay on the Due Date(s) any amount payable in terms of the Transaction Documents at the place at 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 1 (One) calendar day of the relevant Due Date; ▪ Cross default – Other than default under the present issue, if the Issuer/ Holding company/ any of subsidiaries 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/ any of the Promoters/ the subsidiaries or holding company(ies) of the Company ▪ Breach of any of the covenants as specified in the Term Sheet; ▪ If Issuer/ any of the Promoters/ the subsidiaries or holding

	<p>company(ies) of the Company 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;</p> <ul style="list-style-type: none"> ▪ If Issuer/ any of the Promoters/ the subsidiaries or holding company(ies) of the Company 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 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 Issuer/ any of the Promoters/ the subsidiaries or holding company(ies) of the Company HLFL ▪ 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 HLFL or claims are made against HLFL, which in the opinion of the Debenture Trustee, may impair HLFL'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 HLFL or the claims made against HLFL 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 ▪ The listing of the Debentures ceases or is suspended at any point of time prior to the Maturity Date ▪ The Company ceases to carry on its business or any substantial part thereof or gives notice of its intention to do so. ▪ There shall have occurred Material Adverse Effect and such Material Adverse Effect has not been remedied or rectified within a period of 15 (Fifteen) calendar days; ▪ Surrender, revocation or suspension of the Company's certificate of registration as aNBFC Company by the NHB/ RBI ▪ The Company commences negotiations with one or more of its lenders/ debenture trustees/ debenture holders with a view to rescheduling any of its indebtedness or failure or inability of the Company to pay its debts as they mature ▪ The Company has taken or suffered to be taken any action for reorganization of its capital or any rearrangement, merger or amalgamation without prior approval of the Debenture Holders in terms hereof; ▪ Any material act of fraud, embezzlement, misstatement, misappropriation, or siphoning off of the Issuer/Promoter funds
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	<p>or revenues or any other act having a similar effect being committed by the management of the Issuer/ Promoter</p> <p>Subject to the approval of the debenture holders and the conditions as may be specified by the SEBI from time to time, the Debenture Trustee, on behalf of the debenture holders, may enter into inter-creditor agreements provided under the framework specified by the Reserve Bank of India. The voting shall be through show of hands or poll or through such other manner as the Majority Debenture Holder/s may deem fit</p>
Creation of recovery expense fund	<ul style="list-style-type: none"> • As per SEBI Recovery Expense Fund Circular, and the guidelines/ instructions in relation to creation of Recovery Expense Fund in order to enable the debenture trustees to take prompt action for enforcement of security in case of ‘default’ in listed debt securities to be used in the manner decided in the meeting of the holders of debt securities. The Company will create and maintain a Recovery Expense Fund as per the provisions of the regulations issued by SEBI and the SEBI Recovery Expense Fund Circular, as amended from time to time, and if during the currency of these presents, any guidelines are formulated (or modified or revised) by any Governmental Authority under Applicable Law in respect of creation/maintenance of the Recovery Expense Fund, the Company shall abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required by the Debenture Trustee (who shall forthwith forward them to the Debenture Holders) and shall also cause the same to be registered, where necessary. • Details: The Company shall within the timelines prescribed under the SEBI Recovery Expense Fund Circular in relation to the Issue, by deposit of an amount equal to 0.01% (Zero Decimal Point Zero One Percent) of the Issue size subject to maximum of Rs. 25,00,000/- (Rupees Twenty-Five Lakhs only) towards Recovery Expense Fund with BSE in such form as prescribed under the SEBI Recovery Expense Fund Circular. • Purpose: In the event of default, the Debenture Trustee shall obtain the consent of Debenture Holders for enforcement of security and shall inform the same to BSE. BSE will release the amount lying in the Recovery Expense Fund to the Debenture Trustee within 5 (Five) working days of receipt of such intimation. • The Recovery Expense Fund will be refunded to the Issuer in accordance with the SEBI Recovery Expense Fund Circular.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	As specified in the Debenture Trust Deed
Force Majeure	The Issuer understands that this issue is contingent on the assumption that from the date hereof to the Deemed Date of Allotment, there is no material adverse change in the financial conditions of the Issuer or in the condition of the Indian credit and debt market (including any policy action) which in the reasonable opinion of the Investor would make it inadvisable to proceed with the Issue. In the case of such material adverse change, the terms may be

	renegotiated to the mutual satisfaction.
Provisions related to Cross Default Clause	<p>The Issuer:</p> <ul style="list-style-type: none"> ▪ defaults in any payment of any Financial Indebtedness; ▪ defaults in any payment obligation under any contract (apart from payment obligations arising under any Financial Indebtedness) which are not disputed; or ▪ the holder of any Financial Indebtedness accelerating such Financial Indebtedness prior to its stated maturity.
Role and Responsibilities of Debenture Trustee	<p>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:</p> <ul style="list-style-type: none"> • 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; • 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, 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, wilful misconduct or breach of trust the Debenture Trustee shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the aforementioned exercise or non-exercise thereof; • the Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing 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; • with a view to facilitating any dealing under any provisions of the Transaction Documents, subject to the Debenture Trustee obtaining

	<p>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;</p> <ul style="list-style-type: none"> • 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; • the Debenture Trustee shall submit to the RBI and SEBI such information as required by them from time to time; and • 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. <p>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 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.</p> <p>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.</p>
Due Diligence Certificate by Debenture Trustee	The due diligence certificate issued by the Debenture Trustee to BSE in accordance with the SEBI circular dated November 03, 2020 (bearing reference no SEBI/HO/MIRSD/CRADT/CIR/P/2020/218) is annexed hereto as Annexure A.
Risk factors pertaining to the	As covered under the section Management’s Perception of Risk

issue	Factors of this Information Memorandum.
Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to uploading the placement memorandum on the Electronic Book Provider platform, if applicable	The Bidding process, parameters and requirements for the debentures issued pursuant to the electronic bidding mechanism will be in accordance with the operational guidelines or any other applicable guidelines issued/modified from time to time by BSE and SEBI or issued by any other competent authority from time to time.
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**"):

- (g) Debenture Trustee Agreement, which will confirm the appointment of IDBI Trusteeship Services Ltd as the Debenture Trustee ("**Debenture Trustee Agreement**");
- (h) 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**");
- (i) 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.

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**

Its payment obligations under the Transaction Documents rank at least *pari passu* with the claims of all of its other senior secured creditors, except for obligations mandatorily preferred by Applicable Law applying to companies generally.

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, 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 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) a statement that the Hypothecated Assets is sufficient to discharge the claims of the Debenture Holders as and when they become due;
 - (v) notice of any Event of Default or Potential Event of Default; and
 - (vi) 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:
- (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) asset cover, if required, accompanied with a half yearly certificate regarding maintenance of Security Cover in respect of the Debentures, by either a practicing company secretary or a

- (iii) practicing chartered accountant, within one month from the end of the half year;
 - (iii) debt to equity ratio accompanied with a certificate of a practicing chartered accountant confirming such debt to equity ratio;
 - (iv) previous Due Date for the payment of interest/principal and whether the same has been paid or not; and
 - (v) next Due Date for the payment of interest/principal;
 - (vi) debt service coverage ratio (if required);
 - (vii) interest service coverage ratio (if required);
 - (viii) outstanding redeemable preference shares (quantity and value);
 - (ix) debenture redemption reserve;
 - (x) net worth;
 - (xi) net profit after tax;
 - (xii) 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, 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 5 business days.

(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 180 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.

(g) Material Adverse Effect

I. A Material Adverse Effect occurs and is continuing.

II. If extraordinary circumstances have occurred which make it improbable for the Company to fulfill its obligations under the Debentures

(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 90 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 15 (fifteen) days of occurrence or such other time period as may be agreed with the Debenture Holders.
- (n) **Security in Jeopardy**
In the opinion of the Debenture Trustee any Hypothecated Asset(s) is in jeopardy.
- (o) **Alteration in MoA or AoA that would affect interest of Debenture Holders**

If the Company, shall without the previous consent in writing of the Debenture Trustee, make or attempt to make any alteration in the provisions of its memorandum and/or articles of association which would upon such alteration detrimentally affect the interests of the Debenture Holder(s)/Beneficial Owner(s)
- (p) **Clearances required in relation to the Debentures**

Any of the necessary clearances required in relation to the Debentures in accordance with any of the

- Transaction Documents is not received or is revoked or terminated, withdrawn, suspended, modified or withheld or shall cease to be in full force and effect which shall, have Material Adverse Effect on the Company or the Debentures.
- (q) **Delisting**
- If the Debentures are listed and any Debenture is subsequently delisted from any exchange on which it is listed without the prior written consent of the Debenture Trustee
- (r)
- If any Event of Default or any event which, after notice or lapse of time or both, would constitute an Event of Default, the Company shall forthwith give notice thereof to the Debenture Trustee in writing specifying the nature of such Event of Default or of such event.
- (s) **Transaction Documents**
- This Deed or any other Transaction Document in whole or in part, are terminated or cease to be effective or cease to be a legally valid, binding and enforceable obligation of the Company.
- (t) The authority or permission to carry on the material business of the Company has been revoked by the competent Government Authority and such revocation has not been quashed/ withdrawn within 30 (thirty) calendar Days from the date of such revocation and which has a Material Adverse Effect on the Company as a whole.
- (u) An event of total loss or nationalisation or expropriation of all or substantially all of the assets, or a material portion of the assets shall temporarily be subject to a nationalisation and such temporary nationalisation could reasonably be expected to have a Material Adverse Effect.
- (v) Any event (including more than 3 notch rating downgrade) has occurred which, in the sole discretion of the Debenture Trustee/Debenture Holder, is likely to have a Material Adverse Effect.
- (w) There shall have occurred a change in the business, operations, property, assets, liabilities, condition (financial or otherwise) or prospects of the Company since the date hereof that has resulted in a Material Adverse Effect, as determined by the Debenture Trustee (acting solely on the instructions of the Majority Debenture Holders).
- (x) If the Company, in regards to any Financial Indebtedness availed by it from the Debenture Holders and/or any third party (A) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created or (B) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness, the effect of which is to cause or to permit the holder or holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time) any such Indebtedness to become due prior to its stated maturity (C) due to any default or an event of default, any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, (whether or not such right shall have been waived) prior to the stated maturity thereof.
- (y) The promoter(s) of the Company or any of the senior management officials including Key Managerial Personnel (each as defined under the Act) being declared as a 'wilful defaulter' as defined under the applicable RBI regulations and/or the promoter and/or the any of the director(s) of the Company are accused of, charged with, arrested or convicted in a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the promoter(s) and/or the director(s), including any accusations, charges and/or convictions of any offence relating to bribery;
- (z) A petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed on the Company (voluntary or otherwise) or have been admitted or makes an assignment for the benefits of its creditors generally and such proceeding is not contested by the Company for staying, quashing or dismissed within 15 (Fifteen) calendar days.
- (aa) The Company has taken or suffered to be taken any action for re-organisation of its share capital or any

rearrangement, merger or amalgamation without the prior written approval of the Debenture Holder(s). In the opinion of the Debenture Trustee, any of the Transaction Documents fails to provide the security interest, rights, title, remedies, power or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests do not have the priority contemplated under the Transaction Documents, or the Security Interest created thereunder become unlawful, invalid, or unenforceable.

(ab) Voting

All voting in relation to the Debentures will be subject to the voting arrangements as specified in this Information Memorandum and the Debenture Trust Deed.

(ac) Inter- Creditor Agreements

In accordance with the SEBI circular dated October 13, 2020 bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 in relation to the standardisation of procedure to be followed by debenture trustees in case of default by issuers of listed debt securities, the Debenture Trustee shall not enter into any inter creditor arrangement unless agreed to in writing by 75% of the Debenture Holders (by outstanding Nominal Value) and 60% of the Debenture Holders (by number).

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 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 APPLY

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, (iii) 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:

 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. Ganesh Jadhav
 LINK INTIME INDIA PVT LTD
 C-101 , 247 PARK, L.B.S MARG VIKHROLI WEST, MUMBAI -400083
 Tel: 022-49186000; Fax: 022-49186060
 Email: team.bonds@linkintime.co.in
 Website: www.linkintime.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	NOT APPLICABLE
The year in which the entity is declared as a wilful defaulter	NOT APPLICABLE
Outstanding amount when the entity is declared as a wilful defaulter	NOT APPLICABLE
Name of the entity declared as a wilful defaulter	NOT APPLICABLE
Steps taken, if any, for the removal from the list of wilful defaulters	NOT APPLICABLE
Other disclosures as deemed fit by the issuer in order to enable the investors to make informed decisions	NOT APPLICABLE
Any other disclosure as specified by the board	NOT APPLICABLE

10. DECLARATION

It is hereby declared that:

- (a) this Information Memorandum contains full disclosures in accordance with the Securities and Exchange Board of India (NCS Regulations), 2021 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 18th May, 2023, Mr. Sachin Pillai, Managing Director & CEO or Mr. Vikas Jain, 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. Vikas Jain

Chief Financial Officer

Date:

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

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: Plot No.C-21, Tower C, G Block, Bandra Kurla Complex, Mumbai-400051

Telephone No.: +91 44 3925 2525

Website: <http://www.hindujaleylandfinance.com>

DEBENTURE SERIES APPLICATION FORM SERIAL NO.									
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ISSUE OF UPTO 5,000 (FIVE THOUSAND) RATED, LISTED, UNSECURED, SUBORDINATED, REDEEMABLE, TAXABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000 (INDIAN RUPEES ONE LAKH ONLY) EACH AND THE AGGREGATE FACE VALUE OF INR 50,00,00,000 (FIFTY CRORE) FOR VALUE AT PAR, IN DEMATERIALIZED FORM ON A PRIVATE PLACEMENT BASIS ("THE ISSUE") UNDER:

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 01st November 2023 ("**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.

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

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 Lakshmi pathi 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:**

Signature

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

ANNEXURE 2 - ILLUSTRATION OF DEBENTURE CASH FLOWS
INTEREST PAYMENT DATES

No of days	Due Date for Interest Payment	Interest
366	Saturday, 30 November, 2024	4,70,00,000
365	Saturday, 29 November, 2025	4,70,00,000
365	Monday, 30 November, 2026	4,70,00,000
365	Tuesday, 30 November, 2027	4,70,00,000
366	Thursday, 30 November, 2028	4,70,00,000
365	Friday, 30 November, 2029	4,70,00,000
365	Saturday, 30 November, 2030	4,70,00,000
61	Thursday, 30 January, 2031	78,54,795

REDEMPTION SCHEDULE

DATE	NATURE OF PAYMENT	AMOUNT TO BE REDEEMED (IN INR)
Thursday, 30 January, 2031	Redemption of principal	Rs. 50,00,00,000/-