

Hinduja Leyland Finance Limited

January 09, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	19,503.00	CARE AA; Stable	Reaffirmed
Short-term bank facilities	200.00	CARE A1+	Reaffirmed
Non-convertible debenture issue - XVII	0.00	-	Withdrawn
Non-convertible debenture issue - XVIII	0.00	-	Withdrawn
Non-convertible debenture issue - XIX	0.00	-	Withdrawn
Non-convertible debenture issue - XX	200.00	CARE AA; Stable	Reaffirmed
Non-convertible debenture issue - XXI	500.00	CARE AA; Stable	Reaffirmed
Principal-protected market-linked debenture issue - I	0.00	-	Withdrawn
Principal-protected market-linked debenture issue - II	20.00 (Reduced from 100.00)	CARE PP-MLD AA; Stable	Reaffirmed
Principal-protected market-linked debenture issue - III	150.00	CARE PP-MLD AA; Stable	Reaffirmed
Subordinated debt - III	200.00	CARE AA; Stable	Reaffirmed
Subordinated debt - IV	150.00	CARE AA; Stable	Reaffirmed
Subordinated debt - V	175.00	CARE AA; Stable	Reaffirmed
Subordinated debt - VI	200.00	CARE AA; Stable	Reaffirmed
Subordinated debt - VII	300.00	CARE AA; Stable	Reaffirmed
Subordinated debt - VIII	300.00	CARE AA; Stable	Reaffirmed
Subordinated debt – Principal-protected market-linked debenture	150.00	CARE PP-MLD AA; Stable	Reaffirmed
Commercial paper	1,800.00	CARE A1+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The ratings assigned to the bank facilities and various debt instruments of Hinduja Leyland Finance Limited (HLF) continue to factor in the experienced management team of HLF, the demonstrated ability of HLF to raise funds to support business growth, the adequate capitalisation levels supported by capital raise in FY23 (FY refers to the period from April 01 to March 31), the diversified product profile, the geographically diversified loan portfolio, and the relatively-diversified funding profile. The ratings also factor in the support from the parent, Ashok Leyland Limited (ALL; rated 'CARE AA; Stable/CARE A1+') and the benefits derived from being part of the Hinduja group, including the periodic infusion of equity on a need basis.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

That said, the ratings continue to be constrained by the moderate profitability and moderate asset quality. HLF has also achieved significant growth in the scale of operations in the past year, with the consolidated assets under management (AUM) witnessing a growth of 23% to ₹36,906 crore as on March 31, 2023, as against ₹30,079 crore as on March 31, 2022. AUM further witnessed growth of 14% in H1FY24 to ₹42,010 crore as on September 30, 2023.

On January 14, 2022, the board of NDL Ventures Limited (Previously known as NXTDIGITAL Limited (NDL)) decided that the Digital Media & Communication Business undertaking of NDL would be transferred to Hinduja Global Solutions Limited (HGS) and HLF will be merged into NDL subsequently. Post transfer, NDL will have no meaningful operations and will have assets such as cash and small parcels of land (real estate), which is expected to be small in relation to HLF's net worth. The merger is unlikely to have an impact on the credit profile of HLF. However, HLF will be listed, providing immediate access to the equity capital market, as the existing shareholders of HLF will receive shares of NDL as per the share swap valuation.

The Board of Directors of HLF, at their meeting held on November 25, 2022, inter alia have unanimously approved the scheme of merger by absorption. The proposed merger will be subject to the applicable regulatory and shareholder approvals.

CARE Ratings Limited (CARE Ratings) has withdrawn the rating assigned to the NCD issue - XVII, NCD issue-XVIII, NCD issue – XIX and NCD-PP-MLD issue-I of HLF with immediate effect, as the company has repaid the NCD issue - XVII, NCD issue-XVIII, NCD issue – XIX and NCD-PP-MLD issue-I issue in full and there is no amount outstanding under the issue as on date.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors – Factors that could, individually or collectively, lead to positive rating action/upgrade:

- Significant increase in the scale of operations along with improvement in the asset quality and profitability parameters with ROTA of above 2% on a sustained basis.
- Improvement in the credit profile of the parent.

Negative factors – Factors that could, individually or collectively, lead to negative rating action/downgrade:

- Moderation in the asset quality and delinquency levels, with non-performing assets (on AUM basis) above 7% on a sustained basis.
- Deterioration in the capital adequacy parameters, with the total capital adequacy ratio (CAR) falling below 16% on a sustained basis.
- Significant deterioration in the credit profile of the parent.

Analytical approach

Consolidated approach, along with factoring in linkages with the parent.

CARE Ratings has taken consolidated approach; considering that the subsidiaries are an integral part of the group with business linkages and common promoter. The list of the subsidiaries considered for consolidation is as per Annexure-6.

HLF enjoys strong operational linkages with access to the dealer network of ALL and a common brand name and logo. Apart from the demonstrated track record of equity infusion in the past, HLF also enjoys financial flexibility in terms of mobilising funds from various sources at competitive rates.

Outlook: Stable

The stable outlook reflects the likely continuation of the stable credit profile supported by a diversified product profile and demonstrated fund-raising ability, including benefits derived from being part of the Hinduja group.

Detailed description of the key rating drivers

Key strengths

Strong parentage and benefits derived from being part of the Hinduja group

The Hinduja group, established in Mumbai in 1918, has a global presence across 30 countries. The group has a presence in various industries, including automotive, banking and finance, Information Technology (IT)/Information Technology-enabled services (ITES), and energy and chemicals. HLF is a subsidiary of ALL (rated 'CARE AA; Stable/CARE A1+'), one of the leading players in the domestic commercial vehicles (CVs) segment. HLF is a strategically important subsidiary for ALL, and ALL vehicles constitute 36% of HLF's standalone AUM as on March 31, 2023. Being part of the Hinduja group, HLF enjoys financial flexibility in terms of mobilising funds from various sources at competitive rates. CARE Ratings expects the parent to continue to provide need-based support to HLF.

Experienced promoters and senior management team

The Hinduja group has a track record of establishing and successfully running banking and finance companies. The experience of the management team in running similar businesses is a key strength for HLF. Dheeraj Hinduja, Chairman of ALL, is also the Chairman of HLF. The board of HLF consists of 10 directors, including six independent directors with rich experience in the financial services sector. Also, the company has an experienced senior management team, which takes care of its day-to-day operations.

Established credit appraisal, risk monitoring, and collection

The branch structure consists of product manager or location-in-charge, one marketing executive, and collection executive. The marketing executive obtains the applications on a pre-printed proposal booklet and a proposal evaluation form and approval process is carried on ERP system. The field investigation is carried out by the marketing executive. The location in-charge/product manager reviews the proposal. The documents are sent for approval or sanction to the appropriate authority as per the delegation of powers. Post approval and completion of the pre-disbursal documentation, the loan amount is to be disbursed post creation of the contract and checking of the complete file. The credit audit team carries out the review on the documents and policy-adherence points and gives feedback to the location in case of any discrepancies. The collection process has been strengthened by creating a separate collection vertical, employing larger supervisory levels and by the launch of a collections app. The collections happen in the form of National Automated Clearing House (NACH) or cheque or cash.

Based on the knowledge and expertise gained in the financial services sector, the management has developed an in-house enterprise IT system. In addition to providing complete information about each account throughout its credit life-cycle, the IT system also aids the management in monitoring and reviewing its portfolio on a daily basis.

HLF has an associate company, HLF Services Limited, which provides employee support to HLF, in addition to the on-role employees. HLF has made investments in Gro Digital Platform (a 50:50 joint venture [JV] between ALL and HLF), which provides various solutions to transporters and the Gaadimandi Platform (100% owned by HLF), which is a digital platform for buying and selling of pre-owned vehicles

Diversified funding profile, however, bank funding remains a major source in recent years

HLF's funding profile is well diversified with access towards low-cost funding from banks, market instruments like non-convertible debentures (NCDs), and subordinated debt and short-term commercial papers (CPs). HLF's bank borrowings are diversified with borrowings from various banks, which include a good mix of both public and private sector banks. The share of bank borrowings (including cash credit [CC]/working capital demand loan [WC DL]) stood at 81% as on March 31, 2023, as against 80% as on March 31, 2022.

NCDs constituted 5% of the total borrowings, followed by sub-debt constituting 5% of the total borrowings and term loan from non-banking finance companies (NBFCs), financial institutions (FIs) (Small Industries Development Bank of India [SIDBI] and Mudra) constitute 8% and commercial papers (CP) constitute 1% as on March 31, 2023. HLF also raises funds through Direct Assignment(DA) of portfolio which stood at ₹5,650 crore as on March 31, 2023 (PY: ₹4,904 crore as on March 31, 2022)

As on September 30, 2023, the share of term loans from banks stood at 78%, followed by term loans from NBFCs, Fis constitute 12%, followed by sub-debt at 6% and NCDs at 3% and CP outstanding at 1%. The funds raised through DA stood at ₹6,098 crore as on September 30, 2023. CARE Ratings expects the share of capital market borrowings to increase going forward in the medium term.

Adequate capitalisation levels, supported by capital raise in FY23

During October 2022, HLF has mobilised ₹910 crore from qualified institutional buyers (QIBs), thus resulting in an improvement in the capital-to-risk weighted assets ratio (CRAR) level. Supported by the equity infusion, the total capital adequacy ratio (CAR) and Tier-I CAR improved to 20.6% and 18.7%, respectively, as on December 31, 2022, as against 18.7% and 15.9% respectively as on March 31, 2022. With significant growth in the portfolio, total CAR and Tier-I CAR stood at 18.6% and 17.1% as on March 31, 2023. Furthermore, with growth in the AUM during H1FY24, the total CAR and Tier-I CAR slightly moderated to 17.9% and 15.6%, respectively, as on September 30, 2023.

The overall gearing stood at 4.03x as on March 31, 2023, as against 4.2x as on March 31, 2022 (4.4x as on September 30, 2023). CARE Ratings notes that the Hinduja group has been providing need-based support to the company in the form of fresh equity infusion as and when required.

HLF has a wholly owned subsidiary, Hinduja Housing Finance Limited (HHFL), incorporated in FY16 to operate in the housing finance segment. HLF has been continuously infusing equity to support the growth of HHFL, and as on September 30, 2023, HLF has infused ₹493 crore (including ₹161 crore in FY23 and ₹40 crore in H1FY24) since inception. HHFL's AUM stood at ₹6,667 crore as on March 31, 2023, as against ₹4,048 crore as on March 31, 2022 (₹8,404 crore as on September 30, 2023). HLF has made investments in Gro Digital Platform (a joint venture [JV] between ALL and HLF), which provides various solutions to transporters and the Gaadimandi Platform (100% owned by HLF), which is a digital platform for buying and selling of pre-owned vehicles.

Diversified product portfolio along with geographical diversification

HLF has also achieved significant growth in the scale of operations in the past year, with the consolidated AUM witnessing a growth of 23% to ₹36,906 crore as on March 31, 2023, as against ₹30,079 crore as on March 31, 2022. AUM witnessed further growth of 14% in H1FY24 to ₹42,010 crore as on September 30, 2023.

In vehicle finance, with the slowdown in auto sales and the impact of COVID-19, HLF had reported a modest growth in its AUM during FY20-FY22. However, with economic recovery, the growth bounced back in FY23 with a growth of 16% and AUM stood at ₹30,239 crore as on March 31, 2023, as against ₹26,021 crore as on March 31, 2022. AUM further increased to ₹33,606 crore as on September 30, 2023. The disbursements witnessed a growth of 88% in FY23 and stood at ₹16,134 crore as against ₹8,550 crore in FY22. During H1FY24, the disbursements stood at ₹8,900 crore.

The share of heavy commercial vehicles (HCV) in the outstanding loan portfolio continues to remain high at 25% as on March 31, 2023, as against 24% as on March 31, 2022, and the share of the top three products (HCV, loan-against-property [LAP], and construction equipment [CE]) stood at 57% as on March 31, 2023, as against 54% as on March 31, 2022.

HLF has presence across 21 states and three Union Territories, and AUM of the company is well diversified. The share of the top three states on the overall AUM has increased on a y-o-y basis from 38% as on March 31, 2022 to 39% as on March 31, 2023.

CARE Ratings expects the portfolio and geographical diversification to continue over the medium term.

In terms of housing, HHFL witnessed an AUM growth of 65% in FY23 (PY: 57%) from ₹4,048 crore as on March 31, 2022, to ₹6,667 crore as on March 31, 2023. The disbursements increased from ₹2,090 crore in FY22 to ₹3,716 crore in FY23. AUM further increased to ₹8,404 crore as on September 30, 2023, with disbursements of ₹2,529 crore in H1FY24.

Key weaknesses**Moderate asset quality**

The gross non-performing assets (GNPA) (on-book) and net non-performing assets (NNPA) (on-book) improved and stood at 4.9% and 3.3% respectively as on March 31, 2023 as against 7.0% and 4.7% as on March 31, 2022. GNPA (on-book) and NNPA (on-book) stood at 4.4% and 2.9% as on September 30, 2023. The GNPA (on an AUM basis) and NNPA (on an AUM basis) improved and stood at 3.7% and 2.5%, respectively as on March 31, 2023, as against 5.1% and 3.4% respectively as on March 31, 2022. The GNPA (on an AUM basis) and NNPA (on an AUM basis) improved to 3.4% and 2.2%, respectively, as on September 30, 2023. The improvement in asset quality is on account of increased collection efforts.

HLF has a standard restructured portfolio amounting to ₹1,133 crore (3.7% of the AUM) as on March 31, 2023 and ₹1,129 crore (3.4% of the AUM) as on September 30, 2023. HLF has been selling stressed book to ARC. The security receipts outstanding

stood at ₹779 crore (2.6% of AUM) as on March 31, 2023 and ₹612 crore (1.8% of AUM) as on September 30, 2023. The 30+ days past due (DPD) (on an AUM basis) has improved significantly from 24% as on March 31, 2022, to 12% as on March 31, 2023 (11% as on September 30, 2023). The ability of the company to improve its asset quality and contain slippages will be a key monitorable.

Moderate profitability levels

HLF (consolidated) reported a profit-after-tax (PAT) of ₹490 crore on a total income of ₹3,502 crore in FY23 as against a PAT of ₹341 crore on a total income of ₹3,106 crore in FY22. The net interest margin (NIM) moderated 5.0% in FY23 as against 5.3% in FY22 on account of decline in yields. The operating expenses increased to 1.6% in FY23 from 1.5% in FY22. HLF reported an improvement in the pre-provision operating profit (PPOP) to ₹1,303 crore in FY23 as against ₹1,195 crore in FY22. Furthermore, with a decline in the credit cost to, 2.3% in FY23 from 3.1% in FY22, HLF reported an improvement in the return on total assets (ROTA) to 1.7% in FY23 (1.4% in FY22).

During H1FY24, HLF reported a PAT of ₹267 crore on a total income of ₹2,085 crore as against a PAT of ₹215 crore on a total income of ₹1,629 crore in H1FY23. CARE Ratings expects the profitability levels to remain moderate in the near term, considering the increasing nature of cost of funds.

Industry outlook and prospects

The aggregate AUM of CV financing NBFCs witnessed low growth from FY20 to FY22, following three successive years of high growth rate during FY17-FY19. Such moderation in AUM growth was due to a combination of a slowdown in new CV sales volumes, which in turn, was impacted by various factors, including the cyclicity associated with the CV sector, changes in emission norms, and the COVID-19-induced economic slowdown. With the revival in economic activities, supported by the increased spending in infrastructure by the government, the AUM growth of CV financing NBFCs bounced back in FY23. The growth is expected to continue in FY24 as well.

Liquidity: Adequate

The liquidity of HLF is adequate, with its asset liability management (ALM) having no negative cumulative mismatches in any of the time buckets up to one year as on September 30, 2023. The repayment obligation (principal alone) during H2FY24 stood at ₹4,319 crore and the inflows from advances (principal alone) during H2FY24 stood at ₹5,557 crore. As on September 30, 2023, the company had free cash and cash equivalents of around ₹1,581 crore and unavailed lines of credit (including CC) of ₹4,478 crore. The ability of the company to mobilise funds from the banks at a competitive rate adds comfort.

Applicable criteria

[Policy on default recognition](#)

[Consolidation](#)

[Factoring Linkages Parent Sub JV Group](#)

[Financial Ratios - Financial Sector](#)

[Rating Outlook and Credit Watch](#)

[Short Term Instruments](#)

[Market Linked Notes](#)

[Non Banking Financial Companies](#)

[Policy on Withdrawal of Ratings](#)

About the company and industry

Industry classification

Macro-economic Indicator	Sector	Industry	Basic Industry
Financial services	Financial services	Finance	Non-banking financial company (NBFC)

HLF is a non-deposit taking systemically important (ND-SI) NBFC based out of Chennai, Tamil Nadu, belonging to the Hinduja group. Established in 2008, HLF started its lending operations in FY11, subsequent to the receipt of the Reserve Bank of India (RBI) license in March 2010. The company has been promoted by the group's flagship automobile manufacturing company, ALL (rated 'CARE AA; Stable/CARE A1+'), with an aim of providing funding support to ALL vehicles. HLF's exposure to ALL vehicles stood around 36% of the AUM as on March 31, 2023. HLF is also engaged in extending loans to three-wheelers, two-wheelers, small commercial vehicles (SCVs), light commercial vehicles (LCVs), tractors, CE, LAP, used CV financing, and is also engaged in portfolio buyout. During October 2022, HLF mobilised ₹910 crore via QIBs. The shareholding of the Hinduja group in HLF stands at 74.7%, wherein ALL holds 60.4% stake as on September 30, 2023.

HLF also has a presence in housing finance through its wholly owned subsidiary, HHFL. HLF also has a Joint Venture Gro Digital Platform and a wholly-owned subsidiary Gaadimandi Platform.

During FY23, the company reported a consolidated PAT of ₹490 crore (PY: ₹341 crore) on a total income of ₹3,502 crore (PY: ₹3,106 crore).

Brief Financials – Consolidated (₹ Crore)	FY22 (A)	FY23 (A)	H1FY24(UA)
Total operating income	3,106	3,502	2,084
PAT	341	490	267
Interest coverage (Times)	1.3	1.4	1.3
Total assets	24,475	32,418	36,589
Net NPA (%) (on AUM basis)	3.4	2.5	2.2
ROTA (%)	1.4	1.7	1.5

A: Audited; UA: Unaudited. Note: The above results are the latest financial results available.

Status of non-cooperation with previous CRA: NA

Any other information: NA

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of the various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
Fund-based-Long term	-	-	-	June 2028	19,503.00	CARE AA; Stable
Fund-based-Short term	-	-	-	-	200.00	CARE A1+
Debentures-Non-convertible debentures-XVII, XVIII	INE146007425*	15-Dec-20	8.50%	15-Dec-23	0.00	Withdrawn
Debentures-Non-convertible debentures-XIX						
Debentures-Non-convertible debentures-XX	INE146007466*	02-Nov-21	7.80%	29-Dec-23	50.00	CARE AA; Stable
		29-Sep-21	7.80%	29-Dec-23	50.00	CARE AA; Stable
	INE146007490	18-Dec-23	8.80%	18-Dec-26	100.00	CARE AA; Stable
Debentures-Non-convertible debentures-XXI	Proposed	-	-	-	500.00	CARE AA; Stable
Debentures-Market linked debentures-I	INE146007458*	25-May-21	G-Sec Linked	24-Nov-23	0.00	Withdrawn
Debentures-Market linked debentures-II						
Debentures-Market linked debentures-III	INE146007482	27-Jan-23	G-Sec Linked	27-Jan-26	80.00	CARE PP-MLD AA; Stable
	Proposed	-	-	-	70.00	CARE PP-MLD AA; Stable
Debt-Subordinate debt-III	INE146008100	28-Aug-17	9.40%	28-Aug-24	100.00	CARE AA; Stable
	INE146008118	13-Sep-17	9.20%	13-Sep-24	100.00	CARE AA; Stable
Debt-Subordinate debt-IV	INE146008134	27-Mar-18	10.15%	27-Mar-25	100.00	CARE AA; Stable
	INE146008209	22-Apr-21	9.75%	21-Apr-28	50.00	CARE AA; Stable
Debt-Subordinate debt-V	INE146008159	29-Mar-19	11.60%	29-Sep-24	100.00	CARE AA; Stable
	INE146008191	26-Mar-21	9.75%	25-Sep-26	75.00	CARE AA; Stable
Debt-Subordinate debt-VI	INE146008175	30-Apr-21	9.75%	08-Oct-26	50.00	CARE AA; Stable
	INE146008217	19-Jul-21	9.70%	19-Jan-27	50.00	CARE AA; Stable
	INE146008225	22-Jun-23	9.50%	22-Jun-33	75.00	CARE AA; Stable
Debt-Subordinate debt-VII	INE146008233	23-Aug-23	9.45%	23-Aug-33	135.00	CARE AA; Stable
	INE146008233	20-Sep-23	9.45%	23-Aug-33	90.00	CARE AA; Stable
		13-Nov-23	9.45%	23-Aug-33	50.00	CARE AA; Stable
		21-Nov-23	9.45%	23-Aug-33	35.00	CARE AA; Stable
Debt-Subordinate debt-VIII	INE146008241	30-Nov-23	9.40%	30-Jan-31	50.00	CARE AA; Stable
	INE146008233	21-Dec-23	9.45%	23-Aug-33	40.00	CARE AA; Stable
	Proposed	-	-	-	225.00	CARE AA; Stable
Debt-Subordinated debt - Market linked debenture	INE146008142	18-Sep-18	G-Sec Linked	17-Sep-24	150.00	CARE PP-MLD AA; Stable
Commercial paper-Commercial paper (Standalone)	INE146014BM0	6-Nov-23	8.05%	5-Feb-24	100	CARE A1+
Commercial paper-Commercial paper (Standalone)					200	CARE A1+
Commercial paper-Commercial paper (Standalone)	INE146014BN8-R	9-Nov-23	8.03%	8-Feb-24	100	CARE A1+
Commercial paper-Commercial paper (Standalone)					200	CARE A1+
Commercial paper-Commercial paper (Standalone)	INE146014BO6	29-Nov-23	8.38%	28-Feb-24	75	CARE A1+
Commercial paper-Commercial paper (Standalone)	INE146014BP3	30-Nov-23	8.40%	29-Feb-24	75	CARE A1+

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
Commercial paper- Commercial paper (Standalone)	INE146O14BQ1	5-Dec-23	8.35%	5-Mar-24	100	CARE A1+
Commercial paper- Commercial paper (Standalone)	INE146O14BR9	8-Dec-23	8.35%	8-Mar-24	200	CARE A1+
Commercial paper- Commercial paper (Standalone)	INE146O14BS7	14-Dec-23	8.31%	12-Mar-24	50	CARE A1+
Commercial paper- Commercial paper (Standalone)	INE146O14BT5	15-Dec-23	8.31%	15-Mar-24	175	CARE A1+
Commercial paper- Commercial paper (Standalone) (Proposed)	-	-	-	-	600	CARE A1+

*The aforementioned NCD is redeemed.

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based-Long Term	LT	19503.00	CARE AA; Stable	1)CARE AA; Stable (28-Nov-23) 2)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23) 2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22) 2)CARE AA-; Stable (29-Sep-21)	1)CARE AA-; Stable (02-Mar-21) 2)CARE AA-; Stable (30-Sep-20) 3)CARE AA-; Stable (03-Jul-20)
2	Commercial Paper- Commercial Paper (Standalone)	ST	1800.00	CARE A1+	1)CARE A1+ (28-Nov-23) 2)CARE A1+ (26-Apr-23)	1)CARE A1+ (25-Jan-23) 2)CARE A1+ (29-Dec-22)	1)CARE A1+ (25-Mar-22) 2)CARE A1+ (29-Sep-21)	1)CARE A1+ (30-Sep-20)
3	Debt-Subordinate Debt	LT	-	-	-	-	1)Withdrawn (29-Sep-21)	1)CARE AA-; Stable (30-Sep-20)
4	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (30-Sep-20)
5	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (30-Sep-20)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
6	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (30-Sep-20)
7	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (30-Sep-20)
8	Debt-Subordinate Debt	LT	-	-	-	1)Withdrawn (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22) 2)CARE AA-; Stable (29-Sep-21)	1)CARE AA-; Stable (30-Sep-20)
9	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (30-Sep-20)
10	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (30-Sep-20)
11	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (30-Sep-20)
12	Debt-Subordinate Debt	LT	200.00	CARE AA; Stable	1)CARE AA; Stable (28-Nov-23) 2)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23) 2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22) 2)CARE AA-; Stable (29-Sep-21)	1)CARE AA-; Stable (30-Sep-20)
13	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (30-Sep-20)
14	Debt-Subordinate Debt	LT	150.00	CARE AA; Stable	1)CARE AA; Stable (28-Nov-23) 2)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23) 2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22) 2)CARE AA-; Stable (29-Sep-21)	1)CARE AA-; Stable (30-Sep-20)
15	Debentures-Non Convertible Debentures	LT	-	-	1)CARE AA; Stable (28-Nov-23)	1)CARE AA; Stable (25-Jan-23)	1)CARE AA-; Stable (25-Mar-22)	1)CARE AA-; Stable (30-Sep-20)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
					2)CARE AA; Stable (26-Apr-23)	2)CARE AA; Stable (29-Dec-22)	2)CARE AA-; Stable (29-Sep-21)	
16	Debt-Subordinate Debt	LT	175.00	CARE AA; Stable	1)CARE AA; Stable (28-Nov-23) 2)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23) 2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22) 2)CARE AA-; Stable (29-Sep-21)	1)CARE AA-; Stable (30-Sep-20)
17	Debentures-Non Convertible Debentures	LT	-	-	1)CARE AA; Stable (28-Nov-23) 2)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23) 2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22) 2)CARE AA-; Stable (29-Sep-21)	1)CARE AA-; Stable (30-Sep-20)
18	Debt-Subordinated debt - Market Linked Debenture	LT	150.00	CARE PP-MLD AA; Stable	1)CARE PP-MLD AA; Stable (28-Nov-23) 2)CARE PP-MLD AA; Stable (26-Apr-23)	1)CARE PP-MLD AA; Stable (25-Jan-23) 2)CARE PP-MLD AA; Stable (29-Dec-22)	1)CARE PP-MLD AA-; Stable (25-Mar-22) 2)CARE PP-MLD AA-; Stable (29-Sep-21)	1)CARE PP-MLD AA-; Stable (30-Sep-20)
19	Debentures-Non Convertible Debentures	LT	-	-	1)CARE AA; Stable (28-Nov-23) 2)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23) 2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22) 2)CARE AA-; Stable (29-Sep-21)	1)CARE AA-; Stable (30-Sep-20) 2)CARE AA-; Stable (03-Jul-20)
20	Debentures-Market Linked Debentures	LT	-	-	1)CARE PP-MLD AA; Stable (28-Nov-23)	1)CARE PP-MLD AA; Stable (25-Jan-23)	1)CARE PP-MLD AA-; Stable (25-Mar-22)	1)CARE PP-MLD AA-; Stable (29-Dec-20)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
					2)CARE PP-MLD AA; Stable (26-Apr-23)	2)CARE PP-MLD AA; Stable (29-Dec-22)	2)CARE PP-MLD AA-; Stable (29-Sep-21)	
21	Debentures-Non Convertible Debentures	LT	200.00	CARE AA; Stable	1)CARE AA; Stable (28-Nov-23) 2)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23) 2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22) 2)CARE AA-; Stable (29-Sep-21)	1)CARE AA-; Stable (29-Dec-20)
22	Fund-based-Short Term	ST	200.00	CARE A1+	1)CARE A1+ (28-Nov-23) 2)CARE A1+ (26-Apr-23)	1)CARE A1+ (25-Jan-23) 2)CARE A1+ (29-Dec-22)	1)CARE A1+ (25-Mar-22) 2)CARE A1+ (29-Sep-21)	1)CARE A1+ (02-Mar-21)
23	Debt-Subordinate Debt	LT	200.00	CARE AA; Stable	1)CARE AA; Stable (28-Nov-23) 2)CARE AA; Stable (26-Apr-23)	1)CARE AA; Stable (25-Jan-23) 2)CARE AA; Stable (29-Dec-22)	1)CARE AA-; Stable (25-Mar-22) 2)CARE AA-; Stable (29-Sep-21) 3)CARE AA-; Stable (23-Apr-21)	-
24	Debentures-Market Linked Debentures	LT	20.00	CARE PP-MLD AA; Stable	1)CARE PP-MLD AA; Stable (28-Nov-23) 2)CARE PP-MLD AA; Stable (26-Apr-23)	1)CARE PP-MLD AA; Stable (25-Jan-23) 2)CARE PP-MLD AA; Stable (29-Dec-22)	1)CARE PP-MLD AA-; Stable (25-Mar-22) 2)CARE PP-MLD AA-; Stable (29-Sep-21) 3)CARE PP-MLD AA-; Stable (24-May-21)	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
25	Debentures-Market Linked Debentures	LT	150.00	CARE PP-MLD AA; Stable	1)CARE PP-MLD AA; Stable (28-Nov-23) 2)CARE PP-MLD AA; Stable (26-Apr-23)	1)CARE PP-MLD AA; Stable (25-Jan-23)	-	-
26	Debt-Subordinate Debt	LT	300.00	CARE AA; Stable	1)CARE AA; Stable (28-Nov-23) 2)CARE AA; Stable (26-Apr-23)	-	-	-
27	Debentures-Non Convertible Debentures	LT	500.00	CARE AA; Stable	1)CARE AA; Stable (28-Nov-23)	-	-	-
28	Debt-Subordinate Debt	LT	300.00	CARE AA; Stable	1)CARE AA; Stable (28-Nov-23)	-	-	-

*Long term/Short term.

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities

Not applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Commercial Paper-Commercial Paper (Standalone)	Simple
2	Debentures-Market Linked Debentures	Complex
3	Debentures-Non Convertible Debentures	Simple
4	Debt-Subordinate Debt	Simple
5	Debt-Subordinated debt - Market Linked Debenture	Complex
6	Fund-based-Long Term	Simple
7	Fund-based-Short Term	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Annexure-6: List of subsidiaries/ associates taken for consolidation as on March 31, 2023

Sr. No.	Name of Entity	March 31, 2023 Ownership Interest of Hinduja Leyland Finance Limited
	Subsidiary	
1	Hinduja Housing Finance Limited	100%
2	Gaadi Mandi Digital Platforms Limited	100%
	Associate	
3	HLF Services Limited	45.9%
	Joint Venture	
4	Gro Digital Platforms Limited	49.9%

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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