



**G RAMACHANDRAN & ASSOCIATES**  
COMPANY SECRETARIES

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023**  
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies*  
*(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To  
The Members,  
M/s. Hinduja Leyland Finance Limited  
CIN# U65993MH2008PLC384221  
Hinduja House, 171, Dr. Annie Besant Road,  
Worli, Mumbai,  
Maharashtra 400018

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Hinduja Leyland Finance Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information, explanations and clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial ended 31<sup>st</sup> March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Hinduja Leyland Finance Limited for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;



- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) SEBI (Issue and Listing of Non-Convertible Securities) Regulations 2021.
- (vi) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') to the extent applicable.
- (vii) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (viii) Reserve Bank of India Act, 1934 read with applicable Rules and Regulations relating to the:
  - (a) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
  - (b) Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016.
  - (c) Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFC's dated 22<sup>nd</sup> October, 2021 and various Directors / Guidelines issued thereunder.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.



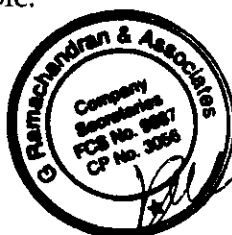
Adequate notice is given to all directors before schedule of the Board/Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Act and Secretarial Standards on Board meeting are complied with.

During the year under review, directors have also participated in the board / committees' meetings through video conferencing, such meetings were properly convened and recorded in compliance with the provisions of Section 173(2) of the Companies Act read with Rule 3 & 4 of the Companies (Meetings of Board and its Powers) Rules, 2014. All decisions in the Board meetings are approved by Directors unanimously and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period under review;

- 1) The Company at the meeting of the shareholders held on 2<sup>nd</sup> March, 2022 approved the amendment to Clause II of the Memorandum of Association of the Company and shifting of Registered office from State of Tamil Nadu to Maharashtra. The Company received an order dated 13<sup>th</sup> May, 2022 passed by Regional Director, Southern Region, Ministry of Corporate Affairs, Chennai granting approval for the same.  
The Board took a note of the above said order on 17<sup>th</sup> May, 2022 and passed the resolution for shifting of registered office of the Company to Mumbai.
- 2) Pursuant to the provisions of Sections 230 to 232 and other applicable provisions if any of the Companies Act, 2013 read with applicable rules made thereunder, the Board of Directors at their meeting held on 25<sup>th</sup> November, 2022 accorded its approval for the draft Scheme of Merger of Hinduja Leyland Finance Limited with M/s. NXTDIGITAL Limited, which is subject to the consent / approval of the shareholders, National Company Law Tribunal and such other regulatory authorities as may be applicable.



- 3) The company issued and allotted 1,27,000 equity shares of Rs.10/- each to its Equity Shareholders under Employee Stock Options Plan of the Company as detailed below:

S.No.	Date of Allotment	Face Value Per Share (in Rs.)	Premium (in Rs.)	Number of Equity shares
1	27.07.2022	10	44.40	4,000
2	18.11.2022	10	100.00	1,00,000
		10	44.40	21,000
3	09.02.2023	10	44.40	2,000
<b>TOTAL</b>				<b>1,27,000</b>

- 4) The company issued and allotted 6,50,00,000 equity shares of Rs. 10/- each at a Premium of Rs. 130/- each aggregating Rs. 910 Crores on a Preferential basis to Qualified Institutional Buyers on 13<sup>th</sup> October, 2022.
- 5) The Company issued and allotted 8,000 Secured Redeemable Non-Convertible Debentures of Rs. 1,00,000/- each aggregating Rs. 80 Crores. The Company redeemed the Redeemable Non-Convertible Debentures on various dates.
- 6) The Company transferred an amount of Rs. 5,07,70,758/- remaining unspent relating to ongoing projects to a separate bank account on 28<sup>th</sup> April, 2023, as required under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- 7) Mr. Kishore Kumar Lodha Chief Financial Officer of the Company resigned on 8<sup>th</sup> September, 2022.
- 8) On the recommendation of Nomination and Remuneration committee, the Board of Directors at their meeting held on 19<sup>th</sup> September, 2022 approved the appointment of Mr. Vikas Jain as Chief Financial officer of the Company with effect from 9<sup>th</sup> September, 2022.
- 9) The Board of Directors at their meeting held on 21<sup>st</sup> March, 2023 appointed Dr. Mandeep Maitra (DIN 06937451) as Additional Director in the category of an Independent Director for a period of five years with effect from 21<sup>st</sup> March, 2023. The said appointment was approved by the Shareholders at their Extra-ordinary General meeting held on 28<sup>th</sup> April, 2023.



- 10) Ms. Bhumika Batra (DIN 03502004) an Independent Director of the Company resigned from the Board with effect from 27<sup>th</sup> February, 2023. Consequent to her resignation, the Corporate Social Responsibility Committee was re-constituted on 10<sup>th</sup> May 2023 by inducting Dr. Mandeep Maitra Independent Director in compliance of Section 135 of the Companies Act, 2013. With respect to the Nomination and Remuneration committee, we were informed that the company had reconstituted the committee in line with the Regulation 19 of SEBI LODR at the Board meeting held on 18<sup>th</sup> May, 2023.
- 11) Mr. S. Nagarajan (DIN 00009236) Executive Vice Chairman of the company retired on 31<sup>st</sup> March, 2023 on completion of tenure of his office.
- 12) Pursuant to the RBI Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated 27<sup>th</sup> April, 2021, the shareholders at their Annual General Meeting held on 19<sup>th</sup> September, 2022 appointed M/s. Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) as the Joint Statutory Auditors of the Company for a period of three years and M/s. Suresh Surana & Associates LLP, Chartered Accountants (Firm Registration No. 121750W/W100010) as Joint Statutory Auditors of the Company for a period of two years.

For M/s. G. Ramachandran & Associates  
Company Secretaries



G. RAMACHANDRAN  
Proprietor  
FCS No.9687 CoP. No.3056  
PR No.: 2968/2023

Place: Chennai  
Date: 18<sup>th</sup> May, 2023  
UDIN: F009687E000302067

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**ANNEXURE-A SECRETARIAL AUDIT REPORT OF EVEN DATE**

To

The Members,  
Hinduja Leyland Finance Limited  
CIN# U65993MH2008PLC384221  
Hinduja House, 171, Dr. Annie Besant Road,  
Worli, Mumbai,  
Maharashtra 400018

Our Report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **G. Ramachandran & Associates**  
Company Secretaries  
  
*G. Ramachandran*  
**G. RAMACHANDRAN**  
Proprietor

FCS No.9687 CoP. No.3056  
PR No.: 2968/2023

Place: Chennai  
Date: 18<sup>th</sup> May, 2023  
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