

## SCHEME OF MERGER BY ABSORPTION

OF

HINDUJA LEYLAND FINANCE LIMITED

INTO

NXTDIGITAL LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

PART IA. PREAMBLE:

This Scheme of Merger by Absorption ("Scheme") seeks to merge and consolidate the businesses of Hinduja Leyland Finance Limited ("Transferor Company") into and with NxtDigital Limited ("Transferee Company") pursuant to the provisions of Sections 230 to 232 of the Act (as defined hereinafter) and other applicable provisions of the Act. This Scheme is in compliance with Section 2(1B) of the Income-Tax Act, 1961, the SEBI Merger Circulars (as defined hereinafter) and Applicable Law (as defined hereinafter)

B. BACKGROUND AND DESCRIPTION OF THE COMPANIES:

HINDUJA LEYLAND FINANCE LIMITED (hereinafter referred to as "HLFL" or the "Transferor Company"), is an unlisted public company, incorporated under the provisions of the Companies Act, 1956 on 12<sup>th</sup> November, 2008 in the State of Tamil Nadu under CIN U65993TN2008PLC069837. The Transferor Company was permitted to commence operations as a non-banking financial company ("NBFC") under section 45 IA of the Reserve Bank of India Act, 1934, pursuant to a certificate issued by the Reserve Bank of India ("RBI") on March 22, 2010. The Transferor Company was originally classified as a systemically important non-deposit accepting non-banking financial company. The Transferor Company was subsequently granted the status of an NBFC-Asset Finance Company by the RBI pursuant to a certificate of registration received on May 12, 2014. The Registered office of the Transferor Company has been shifted from the State of Tamil Nadu to the State of Maharashtra and a fresh Certificate of Incorporation consequent upon such shifting of registered office was issued on 8<sup>th</sup> June, 2022. The registered office of the Transferor Company is situated at Hinduja House, 171, Dr. Annie Besant Road, Worli, Mumbai, Maharashtra 400018. Subsequent to the shifting of Registered office, the updated CIN is U65993MH2008PLC384221.

The objects clause of the memorandum of association of the Transferor Company authorises the Transferor Company to carry on its business.

NXTDIGITAL LIMITED (hereinafter referred to as "NDL" or the "Transferee Company") was incorporated as a public limited company under the provisions of the Companies Act, 1956 on 18<sup>th</sup> July, 1985 in the name of "Mitesh Mercantile & Financing Limited" in the state of Maharashtra under CIN L51900MH1985PLC036896. The name of the Transferee Company was changed from "Mitesh Mercantile & Financing Limited" to "Hinduja Finance Corporation Limited" and a fresh Certificate of Incorporation consequent upon the change of name was issued on 31<sup>st</sup> March, 1995. The name of the





Transferee Company was further changed from "Hinduja Finance Corporation Limited" to "Hinduja TMT Limited" and a fresh Certificate of Incorporation consequent upon the change of name was issued on 8<sup>th</sup> June, 2001. The name of the Transferee Company was later changed from "Hinduja TMT Limited" to "Hinduja Ventures Limited" and a fresh Certificate of Incorporation consequent upon the change of name was issued on 23<sup>rd</sup> October, 2007. The name of the Transferee Company was later changed from "Hinduja Ventures Limited" to "NXTDIGITAL Limited" and a fresh Certificate of Incorporation consequent upon the change of name was issued on October 25, 2019. The main object clause of Memorandum of Association of the Company has been altered and a fresh Certificate of Incorporation consequent upon the alteration of main object clause of Memorandum of Association of the Company was issued on October 27, 2022 to enable the Transferee Company to carry on business of financial services. Subsequent to such alteration of main object clause, the updated CIN is L65100MH1985PLC036896. The Registered Office of the Transferee Company is situated at In Centre, 49/50, MIDC, 12th Road, Andheri (East) Mumbai - 400093. The equity shares of the Transferee Company are listed on the BSE Limited and the National Stock Exchange of India Limited.

The objects clause of the memorandum of association of the Transferee Company authorises the Transferee Company to carry on its business.

### C. RATIONALE OF THE SCHEME

The Transferee Company is proposed to carry on the Financing and Investment Business and is obtaining a license from the Reserve Bank of India (RBI) to carry out business as a NBFC.

The proposed corporate restructuring mechanism by way of a scheme of merger by absorption is beneficial, advantageous and not prejudicial to the interest of the shareholders, creditors and other stakeholders. The proposed merger of Transferor Company into Transferee Company is in consonance with the global corporate restructuring practices which intends and seeks to achieve flexibility and integration of size, scale and financial strength. The Transferor Company and the Transferee Company believe that the financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies of the Transferor Company and the Transferee Company pooled in the merged entity, will lead to increased competitive strength, cost reduction and efficiencies, productivity gains, and logistic advantages, thereby significantly contributing to future growth. Therefore, the management of the Transferor Company and the Transferee Company believe that this Scheme shall benefit the respective companies and other stakeholders of respective companies, inter-alia, on account of the following reasons:

- a) Integration of business operations and enable the Transferee Company and provide significant impetus to its growth;
- b) Greater efficiency in cash management of the merged entity, and unfettered access to cash flow generated by the business which can be deployed more efficiently to fund growth opportunities;
- c) Garner the benefits arising out of economies of large scale and lower operating costs;
- d) Pooling and rationalization of talents in terms of manpower, management, administration etc. to result in savings of costs;
- e) Avoidance of duplication of administrative functions, reduction in multiplicity of legal and regulatory compliances and cost;
- f) Integrated operational and marketing strategies, inter-transfer of resources / costs will result in optimum utilization of assets;
- g) Merger will result in increase in net worth of Transferee Company, which will facilitate effective and fast mobilization of financial resources for meeting increased capital expenditure;
- h) Merger shall result in efficient and focused management control and system.





There is no adverse effect of Scheme on the directors, key managerial personnel, shareholders, creditors, other security holders and employees of Transferor Company and Transferee Company. However, the Board of the Transferor Company upon merger shall stand dissolved without prejudice to decisions, actions, taken by the Board of the Transferor Company. The Scheme would be in the best interest of all stakeholders.

Due to the aforesaid rationale, it is considered desirable and expedient to enter into this Scheme for merger by absorption of Transferor Company with the Transferee Company, and in consideration thereof issue equity shares of the Transferee Company to the shareholders of Transferor Company in accordance with this Scheme.

#### **D. PARTS OF THE SCHEME**

The Scheme is divided into following parts:

PART I, which deals with the introduction and rationale of the Scheme;

PART II, which deals with the definitions and financial position of the Transferor Company and the Transferee Company;

PART III, which deals with the merger of the Transferor Company into the Transferee Company;

PART IV, which deals with the accounting treatment to the Transferor Company and the Transferee Company under this Scheme;

PART V, which deals with the general terms and conditions as applicable to this Scheme.

### **PART II**

#### **1. Definitions**

In this Scheme, unless inconsistent with the meaning or context, the following expressions shall have the following meanings:-

- 1.1 "Act" means the Companies Act, 2013 including any statutory modifications, re-enactment rules, regulations, notifications, amendments or statutory replacement or re-enactment or amendments thereof for the time being in force.
- 1.2 "Applicable Law(s)" means any statute, notification, bye laws, rules, regulations, guidelines or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions or law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.
- 1.3 "Appointed Date" means April 01, 2022 or such other date as may be directed or approved by the National Company Law Tribunal or any other appropriate authority.
- 1.4 "Board of Directors" in relation to Transferor Company and/or Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- 1.5 "Effective Date" means the date on which certified copies of the order passed by the National Company Law Tribunal (NCLT) is filed with the Registrar of Companies, Maharashtra at Mumbai.
- 1.6 "Eligible Employees" means the employees of the Transferor Company, who are entitled to the Transferor Company's Employee Stock Option Plan 2013 (HFSOP-2013) Option Scheme established by Transferor Company, to whom, as on the Effective Date, options of the Transferor





Company have been granted, irrespective of whether the same are vested or not;

- 1.7 **"Exit Offer"** means an offer made to the dissenting holders of NCDs of the Transferor Company.
- 1.8 **"Encumbrance"** means: (a) any encumbrance including, without limitation, any claim, mortgage, negative lien, pledge, equitable interest, charge (whether fixed or floating), hypothecation, lien, deposit by way of security, security interest, trust, guarantee, commitment, assignment by way of security, or other encumbrances or security interest of any kind securing or conferring any priority of payment in respect of any obligation of any person and includes without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security in each case under any law, contract or otherwise, including any option or right of pre-emption, public right, common right, easement rights, any attachment, restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off and/or any other interest held by a third party; (b) any voting agreement, conditional sale contracts, interest, option, right of first offer or transfer restriction; (c) any adverse claim as to title, possession or use; and/or (d) any agreement, conditional or otherwise, to create any of the foregoing, and the term 'encumber' shall be construed accordingly.
- 1.9 **"Governmental Authority"** means any governmental or statutory or regulatory or administrative authority, government department, agency, commission, board, tribunal or court or other entity authorised to make laws, rules or regulations or pass directions, having or purporting to have jurisdiction over any state or other sub-division thereof or any municipality, district or other sub-division thereof pursuant to Applicable Law;
- 1.10 **"NCDs"** means listed Non-Convertible Debentures issued by the Transferor Company.
- 1.11 **"New Equity Shares"** has the meaning given to it in Clause 6.1
- 1.12 **"Promoter(s)"** has the meaning given to it under Regulation 2(1)(oo) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- 1.13 **"Record Date"** means the date to be fixed by the Board of Directors of the Transferor Company after mutual agreement on the same between the Transferor Company and the Transferee Company, for the purpose of determining the shareholders of the Transferor Company to whom the equity shares will be allotted pursuant to this Scheme.
- 1.14 **"Registrar of Companies" or "RoC"** means the Registrar of Companies, having jurisdiction over the Transferor Company and the Transferee Company respectively;
- 1.15 **"Scheme"** means this Scheme of Merger by Absorption in its present form submitted to the NCLT for sanction or with any modification(s) made under Clause 19 of this Scheme and/or any modification(s) approved or imposed or directed by the NCLT.
- 1.16 **"SEBI Merger Circulars"** means, together (a) circular no. CFD/DIL3/CIR/2017/21 dated 10 March 2017; (b) circular no. CFD/DIL3/CIR/2017/26 dated 23 March 2017; (c) circular no. CFD/DILE/CIR/2017/105 dated 21 September 2017; (d) circular no. CFD/DIL3/CIR/2018/2 dated 3 January 2018; (e) circular no. SEBI/HO/CFD/DIL1/CIR/P/2019/192 dated 12 September 2019; (f) circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/215 dated 3 November 2020; (g) circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/0000000657 dated 16 November 2021; (h) circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/ 0000000659 dated 18 November 2021; (i) circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2022/156 dated 17 November 2022, as amended from time to time.
- 1.17 **"Share Exchange Ratio"** has the meaning given to it in Clause 6.1.





- 1.18 "Stock Exchanges" means BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), as the case may be.
- 1.19 "Transferee Company" or "NDL" means NxtDigital Limited, a company incorporated under the Companies Act, 1956, and having its registered office situated at In Centre, 49/50, MIDC, 12th Road, Andheri (East) Mumbai – 400093.
- 1.20 "Transferor Company" or "HLFL" means Hinduja Leyland Finance Limited, a company incorporated under the Companies Act, 1956, having its registered office situated at Hinduja House, 171, Dr. Annie Besant Road, Worli, Mumbai – 400018.
- 1.21 "Transferor Company Option Scheme" has the meaning given to it in Clause 7.1.
- 1.22 "Transferee Company Option Scheme" has the meaning given to it in Clause 7.1.
- 1.23 "Tribunal" or "NCLT" or "Competent Authority" means the National Company Law Tribunal constituted under Section 408 of the Act.

Any word or expression used and not defined in the Scheme but defined in the Act shall have meaning respectively assigned to them in the Act.

The word "person" includes an Individual, Partnership Firm, Limited Liability Partnership, Company (as defined in Section 2(20) of the Companies Act, 2013), a Body Corporate as defined in Section 2(11) of the Companies Act, 2013, a co-operative society and any Body or Organization of Individuals or Persons whether Incorporated or not.

Reference in this Scheme to any Deed, Document, and Writing or to any Statute shall include any modification or re-enactment thereof.

## 2. Share Capital

- 2.1 The Authorized, Issued, Subscribed and Paid-up Share Capital of the Transferor Company as on November 25, 2022 was as under:

### Hinduja Leyland Finance Limited (Transferor Company)

Hinduja Leyland Finance Limited	
Particulars	Amount in Rs.
<b>Authorized Share Capital</b>	
62,29,07,700 Equity Shares of Rs.10 each	6,22,90,77,000
<b>Total</b>	<b>6,22,90,77,000]</b>
<b>Issued, Subscribed and Paid-up</b>	
53,50,17,990 Equity Shares of Rs.10 each	5,35,01,79,900
<b>Total</b>	<b>5,35,01,79,900</b>

Subsequent to the above date and till the date of filing the Scheme with the Tribunal, there has been no change in the issued, subscribed and paid-up capital of the Transferor Company.

The equity shares of the Transferor Company are not listed on any stock exchange.

The latest audited financials along with notes to accounts of the Transferor Company is annexed as





**"Annexure – A"**

- 2.2 The Authorized, Issued, Subscribed and Paid-up Share Capital of the Transferee Company as on November 25, 2022 was as under:

**NXTDIGITAL Limited (Transferee Company)**

NXTDIGITAL Limited	
Particulars	Amount in Rs
<b>Authorized Share Capital</b>	
870,00,000 equity shares of Rs 10 each	87,00,00,000
30,00,000 preference shares of Rs 10 each	3,00,00,000
1,000 9.50% Preference shares of Rs 100 each	1,00,000
<b>Total</b>	<b>90,01,00,000</b>
<b>Issued, Subscribed, Called-up and Paid-up Capital</b>	
33,671,621 equity shares of Rs. 10 each	336716210
<b>Total</b>	<b>336,716,210</b>

Subsequent to the above date and till the date of filing the Scheme with the Tribunal, there has been no change in the issued, subscribed and paid-up capital of the Transferee Company.

The latest audited financials along with notes to accounts of the Transferee Company is annexed as **"Annexure – B"**.

The equity shares of the Transferee Company are listed on the BSE and the NSE.

**3. TRANSFER AND VESTING OF THE TRANSFEROR COMPANY INTO AND WITH THE TRANSFEE COMPANY**

- 3.1 With effect from the Appointed Date and upon this Scheme becoming effective, the Transferor Company along with all its assets, liabilities, contracts, employees, licenses, records, approvals etc. being integral parts of the Transferor Company shall stand transferred to and vest in or shall be deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, instrument or deed, together with all its properties, assets, liabilities, rights, benefits and interest therein, subject to the provisions of this Scheme, in accordance with Sections 230 to 232 of the Act, the Income-Tax Act, 1961 and Applicable Law(s) if any, in accordance with the provisions contained herein.
- 3.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:
- 3.2.1 all assets of the Transferor Company, that are movable in nature or incorporeal/intangible property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordable of whatsoever nature, including plant and machinery, equipment, pursuant to this Scheme shall stand transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company, wherever located and shall become the property and an integral part of the Transferor Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and





delivery or by vesting and recordable, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly;

- 3.2.2 all other movable properties of the Transferor Company, including investments in shares and any other securities, sundry debtors, actionable claims, earnest monies, receivables, bills, credits, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits (including deposits from members), if any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Transferee Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. It is hereby clarified that investments, if any, made by Transferor Company and all the rights, title and interest of the Transferor Company in any leasehold properties shall, pursuant to Section 232 of the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee Company;
- 3.2.3 all immovable properties of the Transferor Company, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall be vested in and/or be deemed to have been vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The relevant authorities shall grant all clearances/permissions, if any, required for enabling the Transferee Company to absolutely own and enjoy the immovable properties in accordance with Applicable Law. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by Governmental Authorities pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof;
- 3.2.4 for the avoidance of doubt and without prejudice to the generality of Clause 3.2.3 above and Clause 3.2.5 below, it is clarified that, with respect to the immovable properties of the Transferor Company in the nature of land and buildings, the Transferor Company and/or the Transferee Company shall register the true copy of the orders of the Tribunal approving the Scheme with the offices of the relevant sub-registrar or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 3.2.3 above and Clause 3.2.5 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any property of the Transferor Company takes place and the assets and liabilities of the Transferor Company shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme;
- 3.2.5 notwithstanding anything contained in this Scheme, with respect to the immovable properties of the Transferor Company in the nature of land and buildings located outside the States/territory where registered office address of the parties is situated as on the Effective Date, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and vesting in the Transferee Company, if the Transferee Company so decides, the Transferor Company and/or the Transferee Company, whether before or after the Effective Date, as the case may be, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value





determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;

- 3.2.6 the transfer and vesting of movable and immovable properties as stated above, shall be subject to Encumbrances, if any, affecting the same;
- 3.2.7 all Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to any liability, shall, after the Effective Date, without any further act, instrument or deed, continue to be related and attached to such assets or any part thereof to which they related or were attached prior to the Effective Date and are transferred to the Transferee Company. Provided that if any assets of the Transferor Company have not been Encumbered in respect of the liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interests of the Transferor Company and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or any third party shall not affect the operation of the foregoing provisions of this Scheme;
- 3.2.8 all estate, assets, rights, title, claims, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, of whatsoever nature and wherever situate, which are acquired by the Transferor Company on or prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company;
- 3.2.9 all contracts, agreements, licences, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, agreements, schemes, arrangements, insurance policies, and other instruments to which the Transferor Company is a party, or to the benefit of which, the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed continue in full force and effect on, against or in favour of the Transferee Company enters into and/or issues and/or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, the Transferor Company will, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of the Transferor Company;
- 3.2.10 any pending suits/appeals, all legal, taxation or other proceedings including before any statutory or quasi-judicial authority or tribunal or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, whether pending on the Appointed Date or which may be instituted any time in the future, shall not abate, be discontinued or in any way prejudicially affected by reason of the merger of the Transferor Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented;
- 3.2.11 all the security interest over any moveable and/or immoveable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any,





created/executed by any person in favour of the Transferor Company or any other person acting on behalf of or for the benefit of the Transferor Company for securing the obligations of the persons to whom the Transferor Company has advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in and be deemed to be in favour of the Transferee Company and the benefit of such security shall be available to the Transferee Company as if such security was ab initio created in favour of the Transferee Company. The mutation or substitution of the charge in relation to the movable and immovable properties of the Transferor Company shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof;

- 3.2.12 all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured (including rupee, foreign currency loans, time and demand liabilities, undertakings and obligations of the Transferor Company), of every kind, nature and description whatsoever and howsoever arising, whether provided for or not in the books of account or disclosed in the balance sheets of the Transferor Company shall be deemed to be the debts, liabilities, contingent liabilities, duties, and obligations of the Transferee Company, and the Transferee Company shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. All loans raised and used and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company prior to the Effective Date, and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Sections 230 to 232 of the Act (without any further act, instrument or deed), stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same;
- 3.2.13 all bonds, notes or other securities of the Transferor Company whether convertible into equity or otherwise, shall, without any further act, instrument or deed become the securities of the Transferee Company and all rights, powers, duties and obligations in relation thereto shall be and shall stand transferred to and vested in or deemed to be transferred to and vested in and shall be exercised by or against the Transferee Company as if it were the Transferor Company. In addition, the Board of Directors of the Transferee Company, shall be authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to list the various bonds, infrastructure bonds and/or other securities on the relevant exchanges. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause;
- 3.2.14 the Transferee Company shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company to the extent necessary until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments, payment orders received and presented for encashment which are in the name of the Transferor Company after the Effective Date, shall be accepted by the bankers of the Transferee Company and credited to the accounts of the Transferee Company, if presented by the Transferee Company. Similarly, the banker of the Transferee Company shall honour all cheques issued by the Transferor Company for payment after Effective Date;
- 3.2.15 all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature to which the Transferor Company is a party to or to the benefit of which the Transferor Company may be eligible, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of





the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. Upon coming into effect of this Scheme, the past track record of the Transferor Company shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes;

- 3.2.16 all the staff and employees of the Transferor Company who are in such employment as on the Effective Date shall become, and be deemed to have become, the staff and employees of the Transferee Company, without any break or interruption in their services and on the same terms and conditions (and which are not less favourable than those) on which they are engaged by the Transferor Company as on the Effective Date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with the Transferor Company, shall also be taken into account. With regard to provident fund, gratuity, superannuation, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, upon this Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the regional provident fund commissioner or to such other funds maintained by the Transferor Company, in accordance with the provisions of Applicable Laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose shall be treated as having been continuous;
- 3.2.17 with regard to any provident fund, gratuity fund, pension, superannuation fund or other special fund created or existing for the benefit of such employees of the Transferor Company, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds shall become those of the Transferee Company. Upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. Any existing provident fund, gratuity fund superannuation fund trusts created by the Transferor Company for its employees shall be continued for the benefit of such employees on the same terms and conditions until such time that they are transferred to the relevant funds of the Transferee Company. It is clarified that the services of all employees of the Transferor Company transferred to the Transferee Company will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds. Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Laws, shall be entitled to : (i) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company; or (ii) merge the pre-existing fund of the Transferor Company with other similar funds of the Transferee Company;
- 3.2.18 the Transferee Company agrees that for the purpose of payment, if any, of any retrenchment compensation, gratuity and other terminal benefits, the past services of the employees with the Transferor Company, if any, as the case may be, shall also be taken into account, and agrees and undertakes to pay the same as and when payable.
- 3.2.19 all trademarks, trade names, service marks, copyrights, logos, corporate names and brand names, domain names and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information shall stand transferred to and vested in the Transferee Company, as per the terms agreed between the parties;
- 3.2.20 all registrations, goodwill and licenses, appertaining to the Transferor Company, if any, shall transferred to and vested in the Transferee Company;





- 3.2.21 all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax, withholding tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, customs, duties, etc.), including any interest, penalty, surcharge and cess, if any, payable by or refundable to the Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, brought forward book losses, credits, holidays, remissions, reductions etc., as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company;
- 3.2.22 all approvals, allotments, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, non-objection certificates, permits, quotas, rights, entitlements, authorisation, pre-qualifications, bid acceptances, tenders, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions (including but not limited to permissions granted in relation to launch futures and options contracts) and certificates of every kind and description whatsoever in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.
- 3.2.23 benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, including without limitation approvals under Sections 42, 62(1)(a), 180, 185, 186, 188 etc., of the Act, read with the rules and regulations made thereunder, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Transferee Company; it being clarified that if any such resolutions have any monetary limits approved subject to the provisions of the Act and of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by the Transferee Company;
- 3.2.24 all bank accounts operated or entitled to be operated by the Transferor Company shall be deemed to have transferred and shall stand transferred to the Transferee Company and names of the Transferor Company shall be substituted by the name of the Transferee Company in the bank's records;
- 3.2.25 all public deposits, debentures or bonds of the Transferor Company shall be distinctly identified in the records of the Transferee Company for all intents and purposes including taxation and accounting and shall not be combined with any existing outstanding deposit scheme or series of debentures or bonds of the Transferee Company;
- 3.2.26 all the benefits under the various incentive schemes and policies that the Transferor Company is entitled to, including tax credits, tax deferral, exemptions and benefits (including sales tax and service tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed by the Transferor Company and all rights or benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, shall upon this Scheme becoming effective and with effect from the Appointed Date be transferred to and vest in the Transferee Company;





- 3.2.27 without prejudice to the generality of the foregoing, all lease agreements and leave and license agreements, management agreements, etc., as the case may be, to which the Transferor Company is a party, and having effect immediately before the Effective Date, shall remain in full force and effect on the terms and conditions contained therein in favour of or against the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder; and the respective lessees and the licensees, as the case may be, shall continue to be in possession of the premises subject to the terms and conditions contained in the relevant lease agreements or leave and license agreements, as the case may be. Further, all the rights, title, interest and claims of the Transferor Company in any properties including leasehold/licensed properties of the Transferor Company including but not limited to security deposits and advance or prepaid lease or license fee, shall, on the same terms and conditions, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company automatically without requirement of any further act or deed. The Transferee Company shall continue to pay rent or lease or license fee as provided for under such agreements, and the Transferee Company shall continue to comply with the terms, conditions and covenants thereunder.
- 3.2.28 any liabilities, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company; and
- 3.2.29 for the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.
- 3.3 It is hereby clarified that any kind of liabilities of the Transferee Company will not devolve upon the Transferor Company.
- 3.4 The Transferor Company and/or the Transferee Company as the case may be, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under Applicable Law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Transferor Company. It is hereby clarified that if the consent of any third party or Governmental Authority, if any, is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.
- 3.5 The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.
- 3.6 Without prejudice to the other provisions of the Scheme and notwithstanding the vesting of the Transferor Company into the Transferee Company by virtue of Part III of the Scheme itself, the





Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under Applicable Law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, including any filings with the regulatory authorities in order to give formal effect to the above provisions and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company. The Transferee Company will, if necessary, also be a party to the above.

**4. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE**

4.1 With effect from the Appointed Date and upto and including the Effective Date:

4.1.1 the Transferor Company shall be deemed to have been carrying on and shall carry on all business and activities relating to the Undertaking of the Transferor Company and stand possessed of the properties so to be transferred, for and on account of and in trust for the Transferee Company, investment in subsidiaries/other companies, if any and payment of advance income tax and subsequent installments of income tax, sales tax, excise and other statutory levies, etc.;

4.1.2 all incomes, profits, benefits and incentives accruing to the Transferor Company or losses arising or incurred by it relating to the Undertaking of the Transferor Company shall, for all purposes, be treated as the incomes, profits, benefits and incentives or losses, as the case may be, of the Transferee Company;

4.1.3 the Transferee Company shall have the right to claim refund of payment of the taxes arising on account of transactions entered into between the Transferor Company and the Transferee Company between the Appointed Date and the Effective Date.

4.2 The Transferor Company hereby undertake, from the Appointed Date up to and including the Effective Date –

4.2.1 to carry on the business of the Undertaking of the Transferor Company with reasonable diligence and business prudence and not to borrow alienate, charge, mortgage, encumber or otherwise deal with or dispose of the Undertaking of the Transferor Company or any part thereof, or to undertake any new business or a substantial expansion of its existing business except with the prior written consent of the Transferee Company.

4.2.2 not to utilize the profits, if any, relating to the Undertaking of the Transferor Company for the purposes of declaring or paying any dividend in respect of the period falling on and after the Appointed day without obtaining prior approval of the Transferee Company.

**5. ALTERATIONS/AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF TRANSFEE COMPANY:**

With respect to the Transferee Company, upon the Scheme being effective:

5.1 Upon the occurrence of the last of the dates on which the certified copy of the order of the NCLT at Mumbai, is filed with the relevant Registrar of Companies, Mumbai the name of Transferee Company shall be deemed to have been changed from "NXTDIGITAL LIMITED" to "HINDUJA LEYLAND FINANCE LIMITED" or such other alternate name as may be permitted by the Registrar of Companies, Mumbai in accordance with relevant provisions of the Act.

Upon sanction of this Scheme, the authorized share capital of the Transferee Company shall stand increased, without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the authorized share





capital of the Transferor Company being amounting to Rs. 6,22,90,77,000/- comprising of 62,29,07,700 equity shares of Rs. 10/- each. Hence, the authorized share capital of the Transferee Company shall amount to Rs. 7,12,91,77,000/- comprising of 70,99,07,700 equity shares of Rs. 10/- each; 30,00,000 preference shares of Rs. 10/- each and 1,000 9.50% preference shares of Rs. 100/- each and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duty and fees paid on the authorized share capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by Transferee Company for increase in the authorized share capital to that extent.

- 5.3 Upon sanction of the Scheme, additionally, Transferee Company shall and to the extent required, increase its authorized capital from Rs. 7,12,91,77,000/- (Rupees seven hundred and twelve crores ninety-one lakhs seventy-seven thousand only) comprising of 70,99,07,700 equity shares of Rs. 10/- each; 30,00,000 preference shares of Rs. 10/- each and 1,000 9.50% preference shares of Rs. 100/- each to Rs. 14,03,01,00,000/- (Rupees one thousand four hundred three crore and one lakh only) comprising of 140,00,00,000 equity shares of Rs. 10 each; 30,00,000 preference shares of Rs. 10/- each and 1,000 9.50% preference shares of Rs. 100/- each.
- 5.4 Consequent upon the Scheme becoming effective, the authorised share capital of the Transferee Company will be as under:

Particulars	Amount in Rupees
<b>Authorised Capital</b>	
140,00,00,000 Equity Shares of Rs. 10/- each	14,00,00,00,000
30,00,000 preference shares of Rs. 10/- each	3,00,00,000
1,000 9.50% preference shares of Rs. 100	100,000
<b>Total</b>	<b>1403,01,00,000</b>

- 5.5 It is hereby clarified that the consent of the shareholders of Transferee Company to this Scheme shall be deemed to be sufficient for the purpose of effecting the aforementioned amendment and that no further resolution under Section 13 or Section 61 or 64 or any other applicable provisions of the Act, would be required to be separately passed.
- 5.6 With effect from the Appointed Date, without following any further procedure, the Transferee Company shall be deemed to be authorized to commence such business as laid down in the Main and Object Clauses of the Memorandum of Association of the Transferor Company.

## 6. CONSIDERATION

- 6.1 Upon coming into effect of this Scheme and in consideration of the merger of Transferor Company in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Company whose names are recorded in the





register of members as a member of the Transferor Company on the Record Date (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of the Transferee Company), in the following manner:

***"25 equity shares of the face value INR 10 each of NDL shall be issued and allotted as fully paid up for every 10 equity shares of the face value of INR 10 each fully paid up held in HLFL."***  
***("Share Exchange Ratio")***

The Transferee Company Shares to be issued by the Transferee Company to shareholders of the Transferor Company in accordance with this Clause 6.1 shall be hereinafter referred to as **"New Equity Shares"**

- 6.2 If any equity shareholders of the Transferor Company becomes entitled to a fractional equity share to be issued by the Transferee Company pursuant to Clause 6.1 above, the Transferee Company shall not issue fractional equity shares to such shareholders of the Transferor Company, but shall consolidate all such fractional entitlements of all equity shareholders of the Transferor Company and the Board of the Transferee Company shall, without any further act, instrument or deed, issue and allot such Equity shares that represent the consolidated fractional entitlements to a trustee nominated by the Board of the Transferee Company ("Trustee") and the Trustee shall hold Equity shares, with all additions or accretions thereto, in trust for the benefit of the equity shareholders of the Transferor Company who are entitled to the fractional entitlements for the specific purpose of selling such Equity shares in the market within a period of 90 (ninety) days from the date of allotment of shares and on such sale, distribute to the equity shareholders in proportion to their respective fractional entitlements, the net sale proceeds of such Equity Shares (after deduction of applicable taxes and costs incurred and subject to the withholding tax, if any). It is clarified that any such distribution shall take place only after the sale of all the Equity Shares of the Transferee Company that were issued and allotted to the Trustee pursuant to this Clause 6.2.
- 6.3 The New Equity Shares shall be issued and allotted in dematerialized form to the equity shareholders of Transferor Company.
- 6.4 The New Equity Shares to be issued and allotted as above shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing equity shares of Transferee Company in all respects including dividends.
- 6.5 The Board of Directors of the Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of New Equity Shares pursuant to Clause 6.1 of the Scheme.
- 6.6 Transferee Company's Equity Shares to be issued and allotted to the equity shareholders of Transferor Company pursuant to Clause 6.1 of this Scheme will be listed and/or admitted to trading on the BSE and NSE, where the equity shares of Transferee Company are listed and/or admitted to trading. Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchanges.
- 6.7 In the event of there being any pending share transfers with respect to the application lodged for transfer by any shareholder of Transferor Company, the Board of Directors or any committee thereof of Transferor Company if in existence, or failing which the Board of Directors or any committee thereof of Transferee Company shall be empowered in appropriate case, even subsequent to the Record Date to effectuate such a transfer in Transferor Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or the transferee of the share(s) in Transferor Company and in relation to the Transferor Company Equity Shares after the Scheme becomes effective.





- 6.8 New Equity Shares to be issued and allotted by Transferee Company to the equity shareholders of Transferor Company pursuant to Clause 6.1 of this Scheme, in respect of any equity shares in Transferor Company which are held in abeyance under the provisions of Section 126 of the Act, pending allotment or settlement of dispute, by order of court or otherwise, be held in abeyance by Transferor Company.
- 6.9 Approval of this Scheme by the equity shareholders of the Transferee Company shall be deemed to be due compliance of the provisions of Section 61 of the Act and the other relevant and applicable provisions of the Act for the issue and allotment of New Equity Shares by Transferee Company, as provided in this Scheme.
- 6.10 The approval of this Scheme by the equity shareholders of Transferee Company under Sections 230 to 232 of the Act shall be deemed to have the approval under Sections 13, 14, 42, 62 and 188 and any other applicable provisions of the Act and any other consents and approvals required in this regard.

## **7. EMPLOYEE STOCK OPTION PLAN**

- 7.1 With respect to the stock options granted by the Transferor Company under the employees stock options scheme of the Transferor Company, titled Hinduja Leyland Finance Stock Option Plan - 2013 (the "Transferor Company Option Scheme"), upon coming into effect of this Scheme, the Transferee Company shall issue stock options to Eligible Employees taking into account the Share Exchange Ratio and on the same terms and conditions as (and which are not less favourable than those) provided in the Transferor Company Option Scheme. Such stock options may be issued by the Transferee Company either under its existing stock option scheme or a revised employee stock option scheme ("Transferee Company Option Scheme").
- 7.2 It is hereby clarified that upon this Scheme becoming effective, options granted by the Transferor Company under the Transferor Company Option Scheme shall automatically stand cancelled. Further, upon this Scheme becoming effective and after cancellation of the options granted under the Transferor Company Option Scheme, the fresh options shall be granted by the Transferee Company to the Eligible Employees on the basis of the Share Exchange Ratio (i.e., for every ten (10) options held by an Eligible Employee which entitle such Eligible Employee to acquire ten (10) equity shares in the Transferor Company, such Eligible Employee will be conferred twenty-five (25) options in the Transferee Company which shall entitle him to acquire twenty-five (25) equity shares in the Transferee Company), such that the Eligible Employees shall, as option holders of the Transferee Company, enjoy the same economic benefit as they would have received under the Transferor Company Option Scheme. Fractional entitlements, if any, arising pursuant to the applicability of the Share Exchange Ratio as above shall be rounded off to the nearest higher integer. The exercise price payable for options granted by the Transferee Company to the Eligible Employees shall be based on the exercise price payable by such Eligible Employees under the Transferor Company Option Scheme as adjusted after taking into account the effect of the Share Exchange Ratio.
- 7.3 On the Effective Date, the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended to-date, shall apply, to the extent applicable, to the stock options granted by the Transferee Company under the Transferee Company Option Scheme in pursuance of this Scheme.
- 7.4 The approval granted to the Scheme by the shareholders, and/or any other regulatory authority shall be deemed to be approval granted to any modifications made to the Transferor Company Option Scheme by the Transferor Company and approval granted to the Transferee Company Option Scheme to be adopted by the Transferee Company.

It is hereby clarified that in relation to the options granted by the Transferee Company to the Eligible Employees, the period during which the options granted by the Transferor Company were held by or





deemed to have been held by the Eligible Employees shall be taken into account for determining the minimum vesting period required under Applicable Law or agreement or deed for stock options granted under the Transferor Company Option Scheme or the Transferee Company Option Scheme, as the case may be.

- 7.6 The Board of Directors of the parties or any of the committee(s) thereof, including the compensation committee (by whatever name called), if any, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this clause of the Scheme.

**8. CLASSIFICATION OF PROMOTERS OF THE TRANSFEROR COMPANY IN THE TRANSFEE COMPANY**

- 8.1 Upon the Scheme becoming effective, and in addition to the existing promoters of the Transferee Company, Ashok Leyland Limited, will be classified as the 'Promoter' of the Transferee Company and Ashok Leyland Limited shall hold 58.93% shareholding in the Transferee Company.

**9. APPOINTMENT OF DIRECTORS ON THE BOARD OF THE TRANSFEE COMPANY**

- 9.1 Upon the Scheme finally coming into effect, the Directors of the Transferor Company shall cease to be the Directors of the Transferor Company and revised constitution of the Board of the Transferee Company will be in compliance with the applicable regulatory requirements.

**10. TRANSFEROR COMPANY STAFF AND EMPLOYEES**

On and from the Effective Date:

- 10.1 All employees of the Transferor Company in service on the Effective Date shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions not less favourable than those on which they are engaged by the Transferor Company as on the Effective Date.
- 10.2 The accumulated balances standing to the credit of the employees of the Transferor Company on the Effective Date in the Provident Fund, Gratuity Fund, Superannuation Fund and/or other Funds and including any surplus in any such Funds created or existing for the benefit of the employees of the Transferor Company shall be identified, determined and transferred to the corresponding funds of the Transferee Company in due course.

**11. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS:**

- 11.1 Subject to other provisions of this Scheme, the Transferee Company shall accept all acts, deeds and things relating to the Undertaking of the Transferor Company done and executed by and/or on behalf of the Transferor Company on or after the Appointed Date as acts, deeds and things done and executed by and/or on behalf of the Transferee Company.
- 11.2 Subject to other provisions of this Scheme, all contracts, deeds, bonds, agreements, leases, insurance policies and other instrument of whatsoever nature relating to the Undertaking of the Transferor Company to which the Transferor Company is a party and subsisting or having effect on or before the Effective date shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually, as if, instead of the Transferor Company, the Transferee Company had at all material times been a party thereto.

- 11.3 On this Scheme finally taking effect as aforesaid:





- 11.3.1 All the agreements, guarantees, approvals, consents, permissions, licenses, sanctions, leases and the like entered into with and/or given by, as the case may be, the various Central/ State Governments, statutory or regulatory body or agencies or third parties with respect to the Transferor Company shall, without any further act, deed, matter or thing, stand transferred to and vested in the Transferee Company.
- 11.3.2 All business activities engaged in by the Transferor Company shall be continued by the Transferee Company; and
- 11.3.3 The Transferor Company shall stand dissolved without any further act, instrument or deed.

**12. LEGAL PROCEEDINGS:**

- 12.1 If any suit, writ petition, appeal, revision or other proceedings of whatsoever nature (hereinafter called the "Proceedings") by or against the Transferor Company be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of the Transferor Company or of anything contained in the Scheme, but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made.

**PART IV**

**13. ACCOUNTING TREATMENT:**

- 13.1 Notwithstanding anything to the contrary herein, upon the scheme becoming effective, the Transferee Company shall give effect to the accounting treatment in its books of account in accordance with the accounting principles as laid down in the Indian Accounting Standard 103 (Business Combinations) (Accounting Standard - 14), notified under section 133 of the Act read with companies (Indian accounting standards) rules 2015 or any other relevant or related requirement under the Act as applicable on the effective date, including but not restricted to recognition of all assets and liabilities of the Transferor Company and their respective fair values, accounting for consideration paid / payable at fair value, cancellation of inter-company balances and shares / securities held by the Transferee Company in the Transferor Company, if any and accounting for residual goodwill or capital reserve.
- 13.2 As the Transferor Company shall stand dissolved without being wound up upon this Scheme coming into effect, there shall be no accounting treatment in the books of accounts of the Transferor Company.

**14. TAX TREATMENT:**

- The merger of Transferor Company with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961 and Section 47 of Income Tax Act, 1961.
- 14.1 Any tax liabilities under the Income Tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Central Sales Tax Act, 1956, any other State Sales Tax/ Value Added Tax laws, Service Tax, Central Goods and Service Tax law (CGST), State Goods and Service Tax law (SGST) and Integrated Goods and Service Tax law (IGST) etc., stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent, not provided for or covered by tax provision in the accounts made, as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company.





- 14.2 All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, CGST, SGST, IGST, etc.) paid or payable by the Transferor Company in respect of the operations and / or the profits of the business, on and from the Appointed Date, shall be on account of Transferee Company and, insofar as it relates to the tax payment (including without limitation to income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, CGST, SGST, IGST etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by Transferee Company and, shall, in all proceedings, be dealt with accordingly.
- 14.3 Any refund under the Tax Laws received by / due to Transferor Company consequent to the assessments made on Transferor Company subsequent to the Appointed Date pertaining to the business transferred and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date, shall also belong to and be received by Transferee Company.
- 14.4 Without prejudice to the generality of the above, all benefits under the income tax including dividend tax, sales tax, MAT Credit, carry forward and set-off of book losses and book depreciation, excise duty, customs duty, service tax, VAT, CGST, SGST, IGST, etc., to which the Transferor Company is entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in Transferee Company.
- 15. AUDITOR CERTIFICATE**
- 15.1 An auditors' certificate certifying the payment / repayment capability of the Transferee Company in terms of the SEBI Circular is annexed as "Annexure - C".
- 16. FAIRNESS REPORT**
- 16.1 Fairness Report in terms of SEBI Circular is annexed as "Annexure - D".
- 17. TERMS OF NCDs**
- 17.1 On the scheme being effective, the terms of the NCDs of the debenture holders shall continue to subsist and shall be taken over by the Transferee Company. The terms of NCDs has been provided in "Annexure - E".
- 18. SAFEGUARDS FOR THE PROTECTION OF HOLDERS OF NCDs**
- 18.1 The Transferor Company and the Transferee Company shall comply with all the SEBI Regulations in relation to protection of NCD holders.
- 19. EXIT OFFER TO DISSENTING NCD HOLDER**
- 19.1 Exit offer for the dissenting NCD holders will be guided by the respective information memorandum.

#### **PART V**

**20. APPLICATION TO THE COMPETENT AUTHORITY**

- 20.1 The Transferor Company and Transferee Company shall make necessary applications / petitions under Sections 230 to 232 and other applicable provisions of the Act to the Competent Authority for sanction of this scheme.
- 20.2 On the scheme being agreed to by the requisite majorities of the classes of the members and/or





creditors and /or debenture holders of the Transferor Company and the Transferee Company, whether at a meeting or otherwise, as directed by the Competent Authority, the Transferor Company and the Transferee Company shall, with all reasonable dispatch, apply to the Competent Authority for sanctioning the scheme under Sections 230 to 232 and all other applicable provisions of the Act, and for such other order or orders, as the said Competent Authority may deem fit for bringing this Scheme into force

## **21. MODIFICATIONS/AMENDMENTS TO THE SCHEME**

- 21.1 The Transferor Company and the Transferee Company may, in their full and absolute discretion, assent to any alterations or modifications in this Scheme which the Competent Authority may deem fit to approve or impose and may give such directions as they may consider necessary to settle any questions or difficulty that may arise under the Scheme or in regard to its implementation or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder of the respective Companies). In the event that any conditions are imposed by the Competent Authority which the Transferor Company or the Transferee Company find unacceptable for any reason whatsoever then the Transferor Company and/or the Transferee Company shall be entitled to withdraw from the Scheme.
- 21.2 For the purpose of giving effect to the Scheme or to any modification thereof, the Board of Directors are hereby authorized to give such directions and / or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

## **22. DIVIDENDS**

- 22.1 The parties shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date, but only in the ordinary course of business.
- 22.2 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the parties to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the parties, and if applicable in accordance with the provisions of the Act, be subject to the approval of the shareholders of the respective parties.

## **23. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS**

The Scheme is conditional upon:

- 23.1 obtaining no-objection/ observation letter from the Stock Exchanges in relation to the Scheme under Regulation 37 and Regulation 59A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
- 23.2 obtaining prior approval from the Reserve Bank of India for transfer of NBFC business of the Transferor Company;
- 23.3 The receipt of License / Certificate of Registration by Transferee Company to operate as a NBFC from the Reserve Bank of India;
- 23.4 The Transferor Company complying with other provisions of the SEBI Circular, including seeking approval of its NCD holders through e-voting;
- 23.5 The Transferee Company complying with other provisions of the SEBI Circular, including seeking approval of its shareholders through e-voting;





- 23.6 Any other sanction or approval of any Governmental Authority or regulatory authority, as may be considered necessary and appropriate by the respective Board of Directors of the Transferor Company and the Transferee Company, being obtained and granted in respect of any of the matters for which such sanction or approval is required.

**24. EFFECTIVE DATE OF THE SCHEME**

- 24.1 This Scheme shall become effective when all the following conditions are fulfilled:

24.1.1 The Scheme being approved by the requisite majority of the shareholders of the Transferor Company and the Transferee Company as may be required under the Act and/or the orders of the Competent Authority;

24.1.2 The Scheme is sanctioned by the said NCLT under Section 230 to 232 of the Act;

24.1.3 The certified copy of the order of the said NCLT sanctioning the Scheme is filed with the RoC.

24.2 In the event of this Scheme failing to take effect finally within such period or periods as may be decided by the Transferor Company and the Transferee Company, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the parties or any one of them. In such a case, each company shall bear its own cost or as may be mutually agreed.

24.3 The Transferor Company and the Transferee Company shall be at liberty to withdraw this Scheme at any time as may be mutually agreed through the respective Board of Directors of the Transferor Company and the Transferee Company. In such a case, each company shall bear its own cost or as may be mutually agreed.

**25. OPERATIVE DATE OF THE SCHEME**

The Scheme, although operative from the Appointed Date, shall become effective from the Effective Date.

**26. DISSOLUTION OF THE TRANSFEROR COMPANY**

On the Scheme becoming effective, the Transferor Company shall stand dissolved any further act, instrument or deed.

**27. THIS SCHEME RENDERED NULL AND VOID**

27.1 This Scheme although comes into operation from the Appointed Date shall not become effective until the last of the date on which the last of the aforesaid consents, approvals, permissions, resolutions and orders as mentioned in Clause 23 and Clause 24 shall be obtained or passed. The last of such dates shall be the "Effective Date" for the purpose of this Scheme.

27.2 In the event of this Scheme failing to take effect finally within such period or periods as may be decided by the Transferor Company and the Transferee Company, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the parties or any one of them.

27.3 In the event the Board of Directors of the Transferor Company and the Transferee Company, either through itself or through a committee appointed in this behalf, agree to proceed with the sanctioning of the Scheme in part, the Transferor Company and the Transferee Company shall proceed with the Order of the Competent Authority for sanctioning of the Scheme in part.





**28. EXPENSES CONNECTED WITH THE SCHEME**

- 28.1 Save and except as provided elsewhere in the Scheme, all costs, charges taxes, levies and other expenses including registration fee of any deed, in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of the Scheme shall be borne and paid by the Transferee Company.
- 28.2 In the event that this Scheme fails to take effect within such period or periods as may be decided by the Transferor Company and the Transferee Company, or the Scheme is rendered null and void in terms of Clause 27 above of this Scheme then, the Transferor Company and Transferee Company shall bear their own costs and expenses incurred by them, in relation to or in connection with the Scheme.

**29. VALIDITY OF EXISTING RESOLUTIONS**

- 29.1 Upon the coming into effect of this Scheme, the resolutions/power of attorney of or executed by the Transferor Company, as the case may be, as considered necessary by the Board of the Transferee Company, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/executed by the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then said limits as are considered necessary by the Board of the Transferee Company shall be added to the limits, if any, under like resolutions passed by the Transferee Company, and shall constitute the aggregate of the said limits in the Transferee Company.

**30. RESIDUAL PROVISIONS**

- 30.1 If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any provisions of Applicable Law at a later date, whether as a result of any amendment of Applicable law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the Applicable Law shall prevail. Subject to obtaining the sanction of the Competent Authority, if necessary, this Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will, however, not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, the power to make such amendments/modifications as may become necessary, whether before or after the Effective Date, shall, subject to obtaining the sanction of the Competent Authority, if necessary, vest with the Board of Directors of the parties, which power shall be exercised reasonably in the best interests of the parties and their respective shareholders.
- 30.2 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Company and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 30.3 Upon this Scheme becoming effective, the Transferee Company shall be entitled to operate and utilize all bank accounts, cash and deposits relating to the Transferor Company. Realise all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferor Company to the extent necessary.
- 30.4 Upon this Scheme becoming effective, the Transferee Company shall be entitled to occupy and use all premises, whether owned, leased or licensed, relating to the Transferor Company until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned.

- 30.5 Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property,





asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom of the Transferor Company re transferred, vested, recorded, effected and/or perfected, in the records of any Governmental Authority, regulatory bodies or otherwise, in favour of the Transferee Company, the Transferee Company, is deemed to be authorised to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or s if it were the original party to the license, approval, permission, contract or agreement.

- 30.6 The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make all applications / petitions under Sections 230 and 232 and other applicable provisions of the Act to the Tribunal for the sanctioning of the Scheme and obtain all approvals and consents as may be required under law or any agreement.
- 30.7 The respective Board of Directors of the Transferor Company and the Transferee Company may empower any Committee of Directors or Officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 30.8 If any part of this Scheme is invalid, ruled illegal by any Tribunal or authority of competent jurisdiction or unenforceable under the present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.



For HINDUJA LEYLAND FINANCE LIMITED

*Sachin Pillai*  
Sachin Pillai  
Managing Director & CEO





## ANNEXURE - A

**Walker Chandio & Co LLP**  
11th Floor, Tower II,  
One International Center,  
S B Marg, Prabhadevi (W),  
Mumbai - 400 013  
Maharashtra, India

**Suresh Surana & Associates LLP**  
"Apex Towers" 2nd & 4th Floor,  
No.54 (Old No. 42),  
Second Main Road, R.A. Puram,  
Chennai - 600 028.  
Tamil Nadu, India.

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

**To the Board of Directors of Hinduja Leyland Finance Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of **Hinduja Leyland Finance Limited** ('the Company') for the quarter ended 30 September 2022 and the year to date results for the period 01 April 2022 to 30 September 2022, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the Securities and Exchange Board of India ("SEBI") from time to time.
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.





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

5. The review of standalone unaudited quarterly financial results for the quarter ended 30 June 2022 and the audit of the financial statements for the year ended 31 March 2022, included in the Statement as comparative information, were carried out and reported by Deloitte Haskins & Sells, Chennai and Suresh Surana & Associates LLP, who had expressed an unmodified conclusion vide their review report dated 22 July 2022 and an unmodified opinion vide their audit report dated 17 May 2022, respectively. Accordingly, Walker Chandiook & Co LLP do not express any conclusion or opinion on the figures reported in the Statement for the quarter ended 30 June 2022 and for the year ended 31 March 2022. Our conclusion is not modified in respect of this matter.
6. The review of standalone unaudited quarterly and year-to-date financial results for the period ended 30 September 2021, included in the Statement as comparative information, was carried out and reported by Deloitte Haskins & Sells, Chennai, who had expressed an unmodified conclusion vide their review report dated 10 November 2021, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013

**Rakesh Rath**

Partner

Membership No: 045228

UDIN: 22045228BBQBDP9918

Place: Mumbai

Date: 01 November 2022

**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm Registration No: 121750WW/100010

**P. Shankar Raman**

Partner

Membership No: 204764

UDIN: 22204764BBPORD8301

Place: Chennai

Date: 01 November 2022





Hinduja Leyland Finance Limited  
Corporate Identity Number : U65993MH2008PLC384221  
Regd. Office: Hinduja House, 171, Dr. Annie Besant Road, Worli, Mumbai, Maharashtra - 400018  
Corporate office: 27A, Developed Industrial Estate, Guindy, Chennai, TamilNadu - 600032  
Tel : (044) 39252525 Website : hindujaleylandfinance.com Email : compliance@hindujaleylandfinance.com  
Statement of Unaudited financial results for the quarter and half year ended September 30, 2022

Particulars	Quarter ended			Half year ended		Rs. in Lakhs
	30-Sep-2022	30-Jun-2022	30-Sep-2021	30-Sep-2022	30-Sep-2021	Year ended
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1 Income</b>						
Interest income	58,700	58,454	57,926	1,17,154	1,19,308	2,39,527
Fees and commission income	1,395	1,323	1,587	2,718	2,419	5,305
Net gain on fair value changes	735	85	-	820	-	-
Net gain on derecognition of financial instruments	5,357	4,871	5,595	10,228	9,684	20,437
Other income	47	46	71	93	1,319	1,582
<b>Total Income</b>	<b>66,234</b>	<b>64,779</b>	<b>65,179</b>	<b>1,31,013</b>	<b>1,32,730</b>	<b>2,66,851</b>
<b>2 Expenses</b>						
Finance costs	33,227	32,404	33,773	65,631	68,085	1,33,699
Fees and commission expense	1,427	1,801	1,312	3,228	2,293	5,961
Net loss on fair value changes	-	-	244	-	744	805
Impairment on financial assets	14,796	16,004	14,886	30,800	32,347	70,425
Employee benefits expense	3,825	3,599	3,361	7,424	6,648	14,353
Depreciation and amortisation	420	382	293	802	749	1,588
Other expenses	3,068	3,281	2,223	6,349	3,636	8,736
<b>Total expenses</b>	<b>56,763</b>	<b>57,471</b>	<b>56,092</b>	<b>1,14,234</b>	<b>1,14,502</b>	<b>2,35,567</b>
<b>3 Profit before tax for the period / year (1-2)</b>	<b>9,471</b>	<b>7,308</b>	<b>9,087</b>	<b>16,779</b>	<b>18,228</b>	<b>31,284</b>
<b>4 Tax expenses</b>	<b>2,384</b>	<b>1,825</b>	<b>2,510</b>	<b>4,209</b>	<b>4,684</b>	<b>8,069</b>
- Current tax	1,999	1,390	3,809	3,389	8,886	5,197
- Deferred tax	385	435	(1,299)	820	(4,202)	2,872
<b>5 Profit after tax for the period / year (3-4)</b>	<b>7,087</b>	<b>5,483</b>	<b>6,577</b>	<b>12,570</b>	<b>13,544</b>	<b>23,215</b>
<b>6 Other comprehensive Income</b>						
<b>A Items that will not be reclassified subsequently to profit or loss</b>						
(i) Remeasurement of defined benefit plans	9	27	11	36	24	70
(ii) Income tax relating to items that will not be reclassified to profit or loss	(2)	(7)	2	(9)	14	(18)
<b>B Items that will be reclassified to profit or loss</b>						
(i) Fair value gain/ (loss) on financial assets carried at Fair Value Through Other Comprehensive Income (FVTOCI)	88	(20,555)	11,804	(20,467)	6,498	(27,837)
(ii) Income tax relating to items that will be reclassified to profit or loss	(22)	5,174	(2,972)	5,152	(1,636)	7,006
<b>Other comprehensive Income</b>	<b>73</b>	<b>(15,361)</b>	<b>8,845</b>	<b>(15,288)</b>	<b>4,900</b>	<b>(20,779)</b>
<b>7 Total comprehensive Income</b>	<b>7,160</b>	<b>(9,878)</b>	<b>15,422</b>	<b>(2,718)</b>	<b>18,444</b>	<b>2,436</b>
<b>8 Paid up Share Capital (face value of Rs.10 each)</b>	<b>46,990</b>	<b>46,989</b>	<b>46,984</b>	<b>46,990</b>	<b>46,984</b>	<b>46,989</b>
<b>9 Other Equity</b>						<b>3,38,175</b>
<b>10 Earnings per equity share (face value of Rs.10/- each)#</b>						
- Basic (in Rs.)	1.51	1.17	1.40	2.68	2.88	4.94
- Diluted (in Rs.)	1.50	1.17	1.40	2.67	2.88	4.94

# earnings per share for the quarters/half years are not annualised



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Note 1: Standalone Statement of Assets and Liabilities as on September 30, 2022

Particulars	Rs. Lakhs	
	As at 30 September 2022 Unaudited	As at 31 March 2022 Audited
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash and cash equivalents	58,281	79,779
Bank balance other than cash and cash equivalents	3,952	3,872
Loans	18,63,854	18,06,315
Investments	1,71,336	1,45,263
Other financial assets	40,940	34,417
	<b>21,38,363</b>	<b>20,69,646</b>
<b>Non-financial Assets</b>		
Current tax assets (net)	11,371	9,182
Property, plant and equipment	8,133	8,107
Capital work-in-progress	285	44
Other intangible assets	65	68
Right of use assets	4,187	3,594
Other non-financial assets	7,291	5,486
	<b>31,332</b>	<b>26,481</b>
<b>Total assets</b>	<b>21,69,695</b>	<b>20,96,127</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Financial Liabilities</b>		
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding of an debtors dues other than micro enterprises and small enterprises	3,559	3,128
Debt securities	1,12,880	1,32,816
Borrowings (other than debt securities)	14,94,076	13,75,767
Deposits	162	162
Subordinated liabilities	1,04,226	1,22,141
Other financial liabilities	58,460	58,087
	<b>17,73,363</b>	<b>16,92,101</b>
<b>Non-Financial Liabilities</b>		
Provisions	217	264
Deferred tax liabilities (net)	13,265	17,588
Other non-financial liabilities	401	1,010
	<b>13,883</b>	<b>18,862</b>
<b>EQUITY</b>		
Equity share capital	46,990	46,989
Other equity	3,35,459	3,38,175
	<b>3,82,449</b>	<b>3,85,164</b>
<b>Total Liabilities and Equity</b>	<b>21,69,695</b>	<b>20,96,127</b>

Place : Chennai  
Date : 01-Nov-2022



For Hinduja Leyland Finance Limited

  
Sachin Pillai  
Managing Director & CEO





Note 2: Standalone Statement of Cash Flows

Standalone Statement of cash flow for the half year ended September 30, 2022

Particulars	INR in Lakhs		
	Half year ended 30 September 2022 Unaudited	Half year ended 30 September 2021 Unaudited	Year ended 31 March 2022 Audited
<b>A. Cash flow from operating activities</b>			
Net profit before tax	16,779	18,228	31,284
Adjustments for:			
Depreciation and amortization	802	749	1,588
Profit on disposal of property, plant and equipment(PPE)	(12)	-	(74)
Net (gain) /loss on fair value changes/disposal of investments	(820)	744	805
Finance costs	65,631	68,085	1,33,699
Interest income	(1,17,234)	(1,19,414)	(2,39,751)
Provision for expected credit loss and amounts written off	29,920	30,112	66,735
Impairment loss on other receivables	880	2,235	3,690
Share based payment expense	-	80	159
<b>Operating cash flow before working capital changes</b>	<b>(4,054)</b>	<b>819</b>	<b>(1,865)</b>
Adjustments for (Increase) / Decrease in operating assets:			
Other receivables	-	(2,235)	-
Loans	(1,07,926)	29,511	52,272
Other non- financial assets	(1,805)	1,347	250
Other financial assets	(7,004)	(3,961)	(47,437)
Adjustments for Increase / (Decrease) in operating liabilities:			
Trade payables	431	(533)	1,406
Other financial liabilities	(1,538)	(814)	(5,259)
Other non financial liabilities and provisions	(620)	(129)	401
<b>Net cash (used in)/generated from operations</b>	<b>(1,22,516)</b>	<b>24,005</b>	<b>(232)</b>
Interest & Finance cost paid	(62,719)	(67,047)	(1,32,001)
Interest received	1,16,755	1,21,193	2,38,340
Taxes paid (net)	(5,578)	(1,350)	(7,859)
<b>Net cash generated from/(used in) operating activities (A)</b>	<b>(74,059)</b>	<b>76,801</b>	<b>98,247</b>
<b>B. Cash flow from investing activities</b>			
Investment in mutual fund, pass through securities and security receipts (net)	(20,732)	16,450	3,340
Investment in redeemable non-convertible debentures (net)	(1,926)	(581)	(2,288)
Investment in equity shares of subsidiary companies	(2,585)	(744)	(7,754)
Bank deposits- (Placed)/Matured (having original maturity of more than three months)	(80)	(5,105)	1,713
Purchase of PPE including capital work-in-progress	(427)	(732)	(110)
Interest on fixed deposits	80	107	224
<b>Net cash (used in)/generated from investing activities (B)</b>	<b>(25,680)</b>	<b>9,415</b>	<b>(4,875)</b>
<b>C. Cash flow from financing activities</b>			
Proceeds from issue of equity shares including securities premium	3	25	48
Proceeds from long term borrowings	4,11,854	2,82,639	5,91,809
Repayment of long term borrowings	(3,16,973)	(3,11,667)	(6,76,226)
Repayment of working capital loan / cash credit and commercial paper (net)	(15,906)	(44,524)	(8,645)
Payments of Lease liability	(737)	(517)	(1,416)
<b>Net cash (used in)/generated from financing activities (C)</b>	<b>78,241</b>	<b>(74,044)</b>	<b>(94,430)</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A+B+C)</b>	<b>(21,498)</b>	<b>12,171</b>	<b>(1,058)</b>
<b>Cash and cash equivalents at the beginning of the year/period</b>	<b>79,779</b>	<b>80,838</b>	<b>80,838</b>
<b>Cash and cash equivalents at the end of the year/period</b>	<b>58,281</b>	<b>93,009</b>	<b>79,779</b>

For Hinduja Leyland Finance Limited

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Sachin Pillai  
Managing Director & CEO

Place : Chennai  
Date : 01-Nov-2022





**Notes:**

- 3 The above unaudited standalone financial results have been reviewed by the Audit Committee at their meeting held on October 31, 2022 and approved by the Board of Directors at their meeting held on November 01, 2022 and reviewed by joint statutory auditors, pursuant to Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The unaudited standalone financial results of the Company has been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Companies Act, 2013 ("the Act").

The Company has applied its significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended March 31, 2022.

- 4 The Company continues to monitor the developments/impact arising from Covid-19 pandemic, including any new information concerning the severity of the Covid-19 pandemic, and any action to contain its spread or mitigate its impact.

As at September 30, 2022, the Company holds an aggregate provision of ₹ 72,590 Lakhs against the advances which includes provision of ₹ 15,012 Lakhs for the accounts restructured under the RBI resolution framework.

- 5 (a) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated 5 May 2021

Type of Borrower	Exposure to accounts classified as standard consequent to implementation of resolution Plan- Position as at 30 Sep 2021(A)	Of (A), aggregate debt that slipped into NPA during the half year ended 30 Sep 2022	Of (A), amount written off during the half year ended 30 Sep 2022#	Of(A), amount paid by the borrowers during the half year ended 30 Sep 2022^	Exposure to accounts classified as standard consequent to implementation of resolution plan- Position as at 30 Sep 2022
Personal Loans**	-	-	-	-	-
Corporate Loans	-	-	-	-	-
of which, MSMEs	-	-	-	-	-
Others (Rs. in Lakh)	1,66,061	10,248	-	7,723	1,48,090
<b>Total</b>	<b>1,66,061</b>	<b>10,248</b>	<b>-</b>	<b>7,723</b>	<b>1,48,090</b>

\*\* Includes restructuring implemented pursuant to OTR 2.0 till 30 September 2021.

# represents debt that slipped into stage 3 and was subsequently written off during the half-year

^ represents receipts net of interest accruals and disbursements, if any

- 6 Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51 /21.04.048/2021-22 dated 24 September 2021  
Details of transfer through assignment in respect of loans not in default during the half year ended 30 September 2022

Aggregate amount of loans transferred through Direct Assignment (Rs. in Lakh)	1,52,990
Sale consideration (Rs. in Lakh)	1,37,691
Number of transactions	9
Weighted average remaining maturity in months	28.65
Weighted average holding period after origination in months	16.04
Retention of beneficial interest	10%
Coverage of tangible security coverage	100%
Rating-wise distribution of rated loans	Not applicable
Number of instances (transactions) where transferred as agreed to replace the transferred loans	Nil
Number of transferred loans replaced	Nil

(b) Details of loans (not in default) acquired through assignment during the half year ended 30 September 2022

Aggregate amount of loans transferred through Direct Assignment (Rs. in Lakh)	16,687.53
Weighted average remaining maturity in months	12.82
Weighted average holding period after origination in months	10.92
Retention of beneficial interest	10%
Coverage of tangible security coverage	100%
Rating-wise distribution of rated loans	-



*Vallu*





(c) Details of stressed loans transferred during the half year ended 30 September 2022

Particulars	To Asset Reconstruction		To Permitted transferees	
	NPA	SMA	NPA	SMA
Number of accounts	30,600	-	-	-
Aggregate principal outstanding of loans transferred (Rs.in Lakh)	28,817	-	-	-
Weighted average residual tenor of the loans transferred in months	2.94	-	-	-
Net book value of loans transferred (at the time of transfer) transfer (Rs. in Lakh)	19,212	-	-	-
Aggregate consideration (Rs. in Lakh)	19,212	-	-	-

- 7 RBI vide Circular dated November 12, 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications" has clarified / harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The Company has taken necessary steps to comply with the norms/ changes for regulatory reporting, prospectively with effect from October 01, 2022 as clarified vide circular dated February 15, 2022.
- 8 The Company has raised Rs 91,000 lakhs through preferential issue of 6,50,00,000 equity shares issued to various Qualified Institutional Buyers (QIBs) during October, 2022 and equity shares were allotted to QIBs on October 13, 2022 at an issue price being Rs 140/-; face value Rs 10/- per share; securities premium Rs 130/- per share.
- 9 The Board of Directors in its meeting held on March 16, 2022 approved the proposed merger of the Company with NxtDigital Limited. The said merger will be subject to the requisite approvals from various regulatory and statutory authorities, respective shareholders and creditors.
- 10 All the secured non-convertible debentures of the Company including those issued during the current quarter are fully secured by hypothecation of book debts/loan receivables to the extent as stated in the information memorandum. Further, the Company has maintained asset cover as stated in the information memorandum which is sufficient to discharge the principal amount at all times for the non-convertible debt securities issued.
- 11 The Company is primarily engaged into business of providing loans for asset finance. The Company has its operations within India and all revenues are generated within India. As such, there are no separate reportable segment as per the provisions of Ind AS 108 'Operating Segments'.
- 12 The review of financial results for the quarter ended 30 June 2022 and the audit of the financial statements for the year ended 31 March 2022, included in the Statement as comparative information, were carried out and reported by Deloitte Haskins & Sells, Chennai and Suresh Surana & Associates LLP, who had expressed an unmodified conclusion vide their review report dated 22 July 2022 and an unmodified opinion vide their audit report dated 17 May 2022, respectively. Further, the review of standalone unaudited quarterly and year-to-date financial results for the period ended 30 September 2021, included in the Statement as comparative information, was carried out and reported by Deloitte Haskins & Sells, Chennai who had expressed an unmodified conclusion vide their review report dated 10 November 2021.
- 13 The figures of the previous periods have been regrouped and/or reclassified to conform to the current period's classification.

For Hinduja Leyland Finance Limited

*Sachin Pillai*

Sachin Pillai  
Managing Director & CEO

Place : Chennai  
Date : 01-Nov-2022





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

**a. Details of credit rating and change in credit rating**

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

**b. Debt-Equity ratio (in times) as at September 30, 2022 is 4.47. For the purpose of the ratio, a) debt includes debt securities, borrowings other than debt securities and sub-ordinated liabilities and b) equity includes equity share capital and other equity (Other equity includes Securities Premium Account, Employee Stock Option Outstanding Account, Statutory Reserve, Retained Earnings (Surplus in Statement of Profit and Loss) and Other Comprehensive Income).**

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

Particulars	Principal		Interest	
	Amount (INR In Lakhs)	Next due date	Previous due date	Next due date
9.25% Redeemable non-convertible debentures ( ISIN: INE146O07375 )	20,000	02-Jun-23	04-Jun-22	02-Jun-23
8.50% Redeemable non-convertible debentures ( ISIN: INE146O07425 )	20,000	15-Dec-23	15-Dec-21	15-Dec-22
8.00% Redeemable non-convertible debentures ( ISIN: INE146O07433 )	5,500	28-Jun-23	NA	On Maturity
7.95% Redeemable non-convertible debentures ( ISIN: INE146O07441 )	25,000	14-Feb-23	13-May-22	14-Feb-23
7.80% Redeemable non-convertible debentures ( ISIN: INE146O07458 )	12,500	24-Nov-23	NA	On Maturity
7.80% Redeemable non-convertible debentures ( ISIN: INE146O07466 )	10,000	29-Dec-23	29-Dec-21	29-Dec-22
7.45% Redeemable non-convertible debentures ( ISIN: INE146O07474 )	20,000	08-Mar-24	NA	08-Mar-23

**Notes:**

1. Principal and Interest payments were made on or before the due dates.
2. The above disclosures are towards redeemable non-convertible debentures outstanding as at September 30, 2022..
3. The redeemable non-convertible debentures issued by the Company are secured by exclusive charge on hypothecation of specific loan receivables with a security cover of upto 110% as per the terms of issue.

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

Particulars	Principal		Interest	
	Amount (INR In Lakhs)	Next due date	Previous due date	Next due date
9.40% Subordinated redeemable non-convertible debentures ( ISIN: INE146O08100 )	10,000	28-Aug-24	26-Aug-22	27-Aug-23
9.20% Subordinated redeemable non-convertible debentures ( ISIN: INE146O08118 )	10,000	13-Sep-24	13-Sep-22	13-Sep-23
9.50% Subordinated redeemable non-convertible debentures ( ISIN: INE146O08126 )	5,000	28-Sep-23	28-Sep-22	28-Mar-23
10.15% Subordinated redeemable non-convertible debentures ( ISIN: INE146O08134 )	10,000	27-Mar-25	25-Mar-22	27-Mar-23
9.70% Subordinated redeemable non-convertible debentures ( ISIN: INE146O08142 )	15,000	17-Sep-24	NA	On Maturity
11.60% Subordinated redeemable non-convertible debentures ( ISIN: INE146O08159 )	10,000	29-Sep-24	28-Mar-22	28-Mar-23
9.75% Subordinated redeemable non-convertible debentures ( ISIN: INE146O08167 )	4,500	18-Aug-26	16-Feb-22	16-Feb-23
9.75% Subordinated redeemable non-convertible debentures ( ISIN: INE146O08175 )	10,500	08-Oct-26	08-Mar-22	08-Mar-23
9.75% Subordinated redeemable non-convertible debentures ( ISIN: INE146O08183 )	5,000	18-Sep-26	19-Mar-22	18-Mar-23
9.75% Subordinated redeemable non-convertible debentures ( ISIN: INE146O08191 )	7,500	25-Sep-26	28-Mar-22	27-Mar-23
9.75% Subordinated redeemable non-convertible debentures ( ISIN: INE146O08209 )	5,000	21-Apr-28	22-Apr-22	21-Apr-23
9.70% Subordinated redeemable non-convertible debentures ( ISIN: INE146O08217 )	5,000	19-Jan-27	19-Jul-22	19-Jul-23

Note : Principal and Interest payments were made on or before the due dates.

*V. K. K.*





e. Particulars	As at 30-Sep-22
Outstanding redeemable preference shares (quantity)	NIL
Outstanding redeemable preference shares (Rs.in Lakh)	NIL
Net worth (Rs.in Lakh)	3,82,449
Net profit after tax (Rs.in Lakh) for the half year	12,570
Earnings per share for the half year	
Basic (in Rs.)	2.68
Diluted (in Rs.)	2.67
Debt Service coverage ratio	Not Applicable
Interest service coverage ratio	Not Applicable
Capital redemption reserve (Rs. in Lakh)	Not Applicable
Current ratio	Not Applicable
Long term debt to working capital	Not Applicable
Bad debts to account receivable ratio	Not Applicable
Current liability ratio	Not Applicable
Total debts to total assets	0.79
Debtors turnover	Not Applicable
Inventory turnover	Not Applicable
Operating margin	Not Applicable
Net profit margin	9.59%
Sector specific equivalent ratios include following	
Gross stage III assets (%)	6.31%
Net stage III assets (%)	4.36%
Provision coverage	32.42%
Liquidity coverage ratio (Calculated as per RBI guidelines)	249.20%
Capital risk adequacy ratio (CRAR) %	17.61%

**Notes:**

1. Networth includes equity share capital and other equity (Other equity includes Securities Premium, Employee Stock Option Outstanding Account, Statutory Reserve, Retained Earnings (Surplus in Statement of Profit and Loss) and Other Comprehensive Income).
2. Networth is calculated as defined in section 2(57) of Companies Act 2013.
3. Total debts to total assets = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / total assets
4. Net profit margin = Net profit after tax / total income.
5. Capital ratio = Adjusted net worth / Risk weighted assets, calculated as per applicable RBI guidelines.
6. Gross Stage III (%) = Gross Stage III Loans EAD / Gross Total Loans EAD. Exposure at default (EAD) includes Loan Balance and interest thereon but does not include Security Receipts. Stage-III loans has been determined as per Ind AS 109.
7. Net Stage III = (Gross Stage III Loans EAD - Impairment loss allowance for Stage III) / (Gross Total Loans EAD - Impairment loss allowance for Stage III).
8. Provision coverage = Total Impairment loss allowance for Stage III / Gross Stage III Loans EAD.

For Hinduja Leyland Finance Limited

*Sachin Pillai*

Sachin Pillai  
Managing Director & CEO

Place : Chennai  
Date : 01-Nov-2022





## ANNEXURE - B

Haribhakti & Co. LLP  
Chartered Accountants  
701, Leela Business Park,  
Andheri Kurla Road,  
Andheri (East), Mumbai 400 059

S K Patodia & Associates  
Chartered Accountants  
Sunil Patodia Tower,  
J B Nagar,  
Andheri (East), Mumbai 400 099

**Independent Auditor's Review Report on quarterly and year to date Unaudited Consolidated Financial Results of NXTDIGITAL Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015**

**To The Board of Directors**

**NXTDIGITAL Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of NXTDIGITAL Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter ended September 30, 2022 and for the period from April 01, 2022 to September 30, 2022 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Holding Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.





We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Sr. No.	Name of the Entity	Relationship
1.	NXTDIGITAL Limited	Holding Company
2.	IndusInd Media Communications Limited	Subsidiary Company
3.	OneOTT Intertainment Limited	Subsidiary Company
4.	Sangli Media Services Private Limited	Step down Subsidiary
5.	Bhima Riddhi Infotainment Private Limited	Step down Subsidiary
6.	Darpita Trading Company Private Limited	Step down Subsidiary
7.	Vinsat Digital Private Limited	Step down Subsidiary
8.	Sainath In Entertainment Private Limited	Step down Subsidiary
9.	IN Entertainment (India) Limited	Step down Subsidiary
10.	OneMahaNet Intertainment Private Limited	Step down Subsidiary
11.	USN Networks Private Limited	Step down Subsidiary
12.	Gold Star Noida Network Private Limited	Step down Subsidiary
13.	United Mysore Network Private Limited	Step down Subsidiary
14.	Apna Incable Broadband Services Private Limited	Step down Subsidiary
15.	Goldstar Infotainment Private Limited	Step down Subsidiary
16.	Ajanta Sky Darshan Private Limited	Step down Subsidiary
17.	Sunny Infotainment Private Limited	Step down Subsidiary
18.	RBL Digital Cable Network Private Limited	Step down Subsidiary
19.	Vistaar Telecommunication and Infrastructure Private Limited	Step down Subsidiary





5. Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial results of five subsidiaries (including three step down subsidiaries) included in the unaudited consolidated financial results, whose interim financial results reflect total assets of Rs.1,12,534.99 Lakhs as at September 30, 2022 and total revenues of Rs. 9,935.62 Lakhs and Rs. 27,490.40 Lakhs, total net profit after tax of Rs. 658.33 Lakhs and Rs. 675.09 Lakhs and total comprehensive income of Rs. 758.51 Lakhs and Rs. 739.29 Lakhs, for the quarter ended September 30, 2022 and for the period from April 01, 2022 to September 30, 2022 respectively, and cash outflows (net) of Rs. 755.80 Lakhs for the period from April 01, 2022 to September 30, 2022, as considered in the unaudited consolidated financial results. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our report on the Statement is not modified in respect of the above matter.





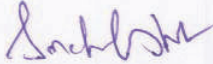
Haribhakti & Co. LLP  
Chartered Accountants  
701, Leela Business Park,  
Andheri Kurla Road,  
Andheri (East), Mumbai 400 059

S K Patodia & Associates  
Chartered Accountants  
Sunil Patodia Tower,  
J B Nagar,  
Andheri (East), Mumbai 400 099

7. The unaudited consolidated financial results includes the interim financial results of thirteen step down subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total assets of Rs. 3,136.08 Lakhs as at September 30, 2022 and total revenue of Rs. 832.64 Lakhs and Rs. 1,598.83 Lakhs, total net loss after tax of Rs. 34.21 Lakhs and Rs. 59.06 Lakhs and total comprehensive loss of Rs. 34.21 Lakhs and Rs. 59.06 Lakhs for the quarter ended September 30, 2022 and for the period from April 01, 2022 to September 30, 2022 respectively, and cash outflows (net) of Rs. 45.68 Lakhs for the period from April 01, 2022 to September 30, 2022, as considered in the unaudited consolidated financial results. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

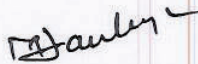
Our report on the Statement is not modified in respect of the above matter.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No.103523W/W100048

  
Snehal Shah  
Partner  
Membership No: 048539  
UDIN: 22048539AZKRP65956  
Place: Mumbai  
Date: October 12, 2022



For S K Patodia & Associates  
Chartered Accountants  
ICAI Firm Registration No. 112723W

  
Sandeep Mandawewala  
Partner  
Membership No: 117917  
UDIN: 22117917AZLENY7799  
Place: Mumbai  
Date: October 12, 2022





**NXTDIGITAL LIMITED**

Regd. Office : InCentre, 49/50, MIDC, 12<sup>th</sup> Road, Andheri (E), Mumbai 400 093

CIN: L51900MH1985PLC036896, Website: www.nxtdigital.co.in, Email ID: investorgrivances@nxtdigital.in

**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER & SIX MONTHS ENDED 30th SEPTEMBER, 2022**

S. No.	Particulars	Quarter ended			Six months ended		(Rs. in Lakhs) Year ended
		30th September, 2022 (Unaudited)	30th June, 2022 (Unaudited)	30th September, 2021 (Unaudited)	30th September, 2022 (Unaudited)	30th September, 2021 (Unaudited)	
							31st March, 2022 (Audited)
1	Income from operations						
	(a) Revenue from operations	24,522.25	23,680.47	27,065.84	48,202.72	51,746.44	1,07,979.95
	(b) Other income	2,467.74	4,225.21	617.19	6,692.95	2,595.89	7,238.63
	Total Income from operations (net)	26,989.99	27,905.68	27,683.03	54,895.67	54,342.33	1,15,218.58
2	Expenses						
	(a) Purchase of network equipment and traded goods	884.71	1,435.48	1,569.41	2,320.19	2,846.73	4,490.33
	(b) Change in inventories of network cable and equipment	150.22	(505.82)	(598.47)	(355.60)	(454.22)	2,165.19
	(c) Operational expenses	12,031.38	14,556.96	13,399.62	26,588.34	25,750.85	52,206.53
	(d) Employee benefits expense	2,259.16	2,178.76	1,951.85	4,437.92	3,915.23	7,628.01
	(e) Finance costs	3,467.68	3,703.24	3,568.71	7,170.92	7,100.74	13,612.05
	(f) Depreciation and amortisation expense	6,753.20	5,860.18	5,420.72	12,613.38	10,860.68	22,329.98
	(g) Other expenses	6,138.86	4,831.18	6,196.84	10,970.04	11,994.37	23,106.23
	Total expenses	31,685.20	32,059.98	31,508.68	63,745.19	62,014.38	1,25,538.32
3	Profit / (Loss) before exceptional items and tax (1-2)	(4,695.22)	(4,154.30)	(3,825.65)	(8,849.52)	(7,672.05)	(10,319.74)
4	Exceptional items	-	-	-	-	-	-
5	Profit / (Loss) before tax from continuing operations	(4,695.22)	(4,154.30)	(3,825.65)	(8,849.52)	(7,672.05)	(10,319.74)
6	Tax expenses (net) of continuing operations						
	(a) Current tax (including for earlier years)	(9.91)	24.97	29.00	15.06	29.00	221.35
	(b) Deferred tax / (reversal)	92.77	(302.57)	(1,051.51)	(209.80)	(2,010.85)	(10,738.30)
	Total Tax expenses (net) of continuing operations	82.86	(277.60)	(1,022.51)	(194.74)	(1,981.85)	(10,516.95)
7	Net Profit / (Loss) after tax from continuing operations (5-6)	(4,778.08)	(3,876.70)	(2,803.14)	(8,654.78)	(5,690.20)	197.20
8	Profit / (Loss) before tax from discontinued operations	160.48	(66.39)	43.91	94.09	73.38	(8.98)
9	Tax Expense (net) of discontinued operations	18.25	(16.71)	(18.48)	1.54	(18.48)	(2.26)
10	Net Profit / (Loss) after tax from discontinued operations (8-9)	142.23	(49.68)	62.39	92.55	91.86	(6.72)
11	Net Profit / (Loss) for the quarter/year (7+10)	(4,635.85)	(3,926.38)	(2,740.75)	(8,562.23)	(5,598.34)	190.48





<b>12</b>	<b>Other comprehensive income</b> <b>A. Items that will not be reclassified to profit or loss:</b> <b>(Continuing)</b> (a) Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income (b) Re-measurement of defined benefit plans (c) Tax impact on above <b>Total of items that will not be reclassified to profit or loss: (Continuing)</b> <b>B. Items that will not be reclassified to profit or loss:</b> <b>(Discontinued)</b> (a) Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income (b) Net Profit / (Loss) on sale of equity instruments through other comprehensive income (b) Tax impact on above <b>Total of items that will not be reclassified to profit or loss: (Discontinued)</b> <b>C. Items that will be reclassified to profit or loss (continuing):</b> (a) Effective portion of gain / (loss) on hedging instrument in cash flow hedges (b) Tax impact on above <b>Total items that will be reclassified to profit or loss (continuing)</b> <b>Total other comprehensive income / (loss)</b>	129.76 (86.18) - <b>43.58</b>  29.45 - (4.25) <b>25.20</b>   (40.83) 10.24 <b>(30.59)</b>  <b>38.19</b>  <b>(4,597.66)</b>  <b>(4,796.17)</b> <b>160.32</b>  <b>8.98</b> <b>29.21</b>  <b>(4,787.19)</b> <b>189.54</b>  <b>3,367.17</b>	(35.97) - - <b>(35.97)</b>  (11.70) - 2.16 <b>(9.54)</b>   15.01 (3.78) <b>11.23</b>  <b>(34.28)</b>  <b>(3,960.66)</b>  <b>(3,887.46)</b> <b>(38.92)</b>  <b>(24.08)</b> <b>(10.20)</b>  <b>(3,911.54)</b> <b>(49.13)</b>  <b>3,367.17</b>	(15.78) (39.37) - <b>(55.15)</b>  45.77 - 4.32 <b>50.09</b>   (37.06) 9.33 <b>(27.73)</b>  <b>(32.79)</b>  <b>(2,773.54)</b>  <b>(2,988.88)</b> <b>248.13</b>  <b>(39.00)</b> <b>6.21</b>  <b>(3,027.88)</b> <b>254.34</b>  <b>2,405.12</b>	93.79 (86.18) - <b>7.61</b>  17.75 - (2.09) <b>15.66</b>   (25.82) 6.46 <b>(19.36)</b>  <b>3.91</b>  <b>(8,558.32)</b>  <b>(8,683.63)</b> <b>121.40</b>  <b>(15.10)</b> <b>19.01</b>  <b>(8,698.73)</b> <b>140.41</b>  <b>3,367.17</b>	- (39.37) - <b>(39.37)</b>  49.65 - 4.26 <b>53.91</b>   (32.07) 8.07 <b>(24.00)</b>  <b>(9.46)</b>  <b>(5,607.80)</b>  <b>(6,151.48)</b> <b>553.14</b>  <b>(20.14)</b> <b>10.68</b>  <b>(6,171.62)</b> <b>563.82</b>  <b>2,405.12</b>	(4.85) 55.85 (13.45) <b>37.55</b>  (7.92) - 2.52 <b>(5.40)</b>   (136.20) 29.78 <b>(106.42)</b>  <b>(74.27)</b>  <b>116.21</b>  <b>(1,269.54)</b> <b>1,460.03</b>  <b>(72.71)</b> <b>(1.56)</b>  <b>(1,342.25)</b> <b>1,458.46</b>  <b>3,367.17</b> <b>31,433.40</b>  (5.02) (5.02) (0.02) (0.02) (5.04) (5.04)
<b>13</b>	<b>Total comprehensive income / (loss) (11+12)</b>						
<b>14</b>	<b>Net Profit / (Loss) attributable to:</b> - Owners - Non-controlling interests						
<b>15</b>	<b>Other comprehensive income / (loss) attributable to:</b> - Owners - Non-controlling interests						
<b>16</b>	<b>Total comprehensive income / (loss) attributable to:</b> - Owners - Non-controlling interests						
<b>17</b>	Paid-up equity share capital (face value Rs. 10/-)						
<b>18</b>	Reserves excluding Revaluation Reserve						
<b>19</b>	<b>Earnings per share (not annualised) (face value of Rs. 10/- per equity share)</b>						
a.	For continuing operation: Basic (in Rs.) Diluted (in Rs.)	(14.66) (14.66)	(11.40) (11.40)	(12.43) (12.43)	(26.06) (26.06)	(25.58) (25.58)	(5.02) (5.02)
b.	For discontinued operation: Basic (in Rs.) Diluted (in Rs.)	0.42 0.42	(0.15) (0.15)	(0.16) (0.16)	0.27 0.27	(0.08) (0.08)	(0.02) (0.02)
c.	For continuing and discontinued operations: Basic (in Rs.) Diluted (in Rs.)	(14.24) (14.24)	(11.55) (11.55)	(12.59) (12.59)	(25.79) (25.79)	(25.66) (25.66)	(5.04) (5.04)



**Notes :**

1. The above unaudited consolidated financial results are prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
2. The above unaudited consolidated results were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors of the Holding Company at their respective meetings held on 12th October, 2022.
3. The Board of Directors of the Holding Company, at their meeting held on February 17, 2022, had, inter-alia, accorded approval to the Demerger of Digital, Media & Communications Business Undertaking alongwith the investments in its subsidiaries of the Holding Company vide a Draft Scheme of Arrangement between NXTDIGITAL Limited (the "Demerged Company" or "NDL") and Hinduja Global Solutions Limited (the "Resulting Company" or "HGS") and their respective shareholders. The Holding Company has made application to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on February 25, 2022 and February 26, 2022 respectively for seeking their No Objection on the Scheme of Arrangement under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 on proposed Scheme of Arrangement. BSE and NSE vide letter Ref. No. DCS/AMAL/TL/JP/2346/2022-23 dated May 31, 2022 and Ref No.: NSE/LIST/30195-II dated May 31, 2022, respectively, conveyed their no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the Holding company to file the scheme with Hon'ble NCLT. Subsequently, the Holding Company had filed the Company Scheme Application No. C.A. (CAA) - 155/2022 to Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) on June 9, 2022 seeking approval on the Scheme of Arrangement. After hearing the case, the NCLT vide its Order dated July 29, 2022 has, inter-alia, directed the Holding Company to convene the meeting of Equity Shareholders on September 2, 2022 for their approval on the Scheme. The Equity Shareholders of the Holding Company have approved the Scheme of Arrangement between NXTDIGITAL Limited and Hinduja Global Solutions Limited and their respective shareholders under the provisions of Sections 230-232 and other applicable provisions of the Companies Act, 2013 (Scheme of Arrangement), at their meeting held on September 2, 2022, with more than requisite majority i.e. 99.99% majority. Thereafter, the Holding Company has filed the Company Scheme Petition to the NCLT on September 08, 2022, for sanctioning the Scheme of Arrangement, which was admitted by the NCLT on September 23, 2022 and final hearing is pending. Pending approval of NCLT, no effect has been given in this unaudited Consolidated financial results.
4. The Board of Directors of the Holding Company at their meeting held on March 16, 2022, has inter alia accorded an in-principle approval for the scheme of arrangement i.e. merger of Hinduja Leyland Finance Limited with the Holding Company. The said scheme/ merger is subject to necessary statutory/ regulatory approvals and approval of shareholders and accordingly no effect has been given in this Unaudited Consolidated financial results.
5. Previous quarter/period items are regrouped/reclassified in line with the current quarter/period's presentation, if any.





Statement of assets and liabilities as at 30th September, 2022  
(Amount in Rs Lakhs)

Particulars	As at 30th September, 2022	As at 31st March, 2022
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	34,984.31	46,903.00
Capital work-in-progress	642.85	625.61
Investment Properties	199.32	201.02
Right to use assets	46,125.76	29,222.70
Other intangible assets	27,251.79	28,485.71
Goodwill	13,232.03	13,232.03
Financial assets		
i) Investments	1,399.41	596.88
ii) Loans	350.00	350.00
iii) Other financial assets	1,874.29	5,322.72
Income tax assets (net)	7,678.93	6,831.55
Deferred tax assets (net)	33,736.53	33,529.60
Other non-current assets	4,047.91	3,684.12
<b>Total Non-current Assets</b>	<b>1,71,523.13</b>	<b>1,68,984.93</b>
<b>Current Assets</b>		
Inventories	3,029.99	2,434.67
Financial assets		
i) Investments	681.49	615.77
ii) Trade receivables	10,020.73	7,876.32
iii) Derivatives	-	-
iv) Cash and cash equivalents	2,310.87	2,876.04
v) Other bank balances	2,517.65	2,107.14
vi) Loans	7,542.29	8,459.99
vii) Other financial assets	919.76	490.73
viii) Financial assets classified as held for sale	-	526.17
ix) Unbilled receivables	2,845.08	1,344.73
Other current assets	12,009.24	6,727.12
<b>Total Current Assets</b>	<b>41,877.10</b>	<b>33,458.67</b>
<b>Total Assets</b>	<b>2,13,400.23</b>	<b>2,02,443.61</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	3,367.17	3,367.17
Other equity	21,387.85	31,433.40
<b>Equity attributable to the equity holders of the company</b>	<b>24,755.02</b>	<b>34,800.57</b>
Non-controlling interest	15,580.19	15,439.79
<b>Total Equity</b>	<b>40,335.21</b>	<b>50,240.36</b>
<b>Liabilities</b>		
<b>Non-current Liabilities</b>		
Financial liabilities		
i) Borrowings	11,894.09	13,459.12
ii) Lease liability	31,372.09	20,942.74
iii) Other Financial Liabilities	2,012.68	1,702.22
Provisions	878.88	868.15
Deferred income	60.19	75.92
<b>Total Non-current Liabilities</b>	<b>46,217.93</b>	<b>37,048.15</b>
<b>Current Liabilities</b>		
Financial liabilities		
i) Borrowings	69,534.79	77,112.37
ii) Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises	104.42	145.76
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	23,457.04	16,244.92
iii) Derivative	-	43.42
iv) Lease Liabilities	11,507.12	7,533.48
v) Other financial liabilities	13,009.92	6,265.71
Provisions	120.16	166.03
Current tax liabilities (net)	26.94	22.08
Deferred income	5,704.81	5,284.70
Other current liabilities	3,381.89	2,336.63
<b>Total Current Liabilities</b>	<b>1,26,847.09</b>	<b>1,15,155.10</b>
<b>Total Liabilities</b>	<b>1,73,065.02</b>	<b>1,52,203.25</b>
<b>Total Equity and Liabilities</b>	<b>2,13,400.23</b>	<b>2,02,443.61</b>





**NXTDIGITAL LIMITED**  
**Consolidated Statement of Cashflows for six months ended 30th September, 2022**  
**(Amount in Rs Lakhs)**

Particulars	For the six months ended 30th September, 2022	For the six months ended 30th September, 2021	For the year ended 31st March, 2022
<b>A Cash flow from operating activities</b>			
Profit/(Loss) before tax from continuing operations	(8,849.52)	(7,672.04)	(10,319.74)
Profit/(Loss) before tax from discontinuing operations	94.09	73.38	(8.98)
<b>Adjustments for:</b>			
Interest income	(1,713.12)	(642.84)	(1,264.02)
Dividend income	(12.11)	(5.58)	(2.11)
Gain on fair valuation of investments measured at fair value through profit or loss	(175.42)	(170.63)	(10.93)
Interest on income tax refund	(14.63)	(20.02)	(138.13)
Sundry credit balances no longer required written back	(2,479.45)	(1,366.07)	(3,760.55)
Unwinding of security deposit	(53.48)	(11.70)	(40.22)
Foreign currency fluctuation (gain) / loss	-	564.84	14.20
Amortisation of security deposit	62.02	12.30	44.30
Finance costs	7,170.92	5,869.28	13,612.05
Depreciation and amortisation expense	12,613.38	10,860.68	22,329.98
(Gain) / Loss on sale of property, plant and equipment	(1,389.01)	-	(921.28)
Advances written off	45.78	-	259.75
Bad debts / Provision for doubtful debts	662.92	972.65	2,035.79
	<u>14,717.80</u>	<u>16,062.92</u>	<u>32,158.83</u>
<b>Operating (Loss) before working capital changes</b>	<u>5,962.37</u>	<u>8,464.25</u>	<u>21,830.12</u>
Changes in operating assets and liabilities			
(Increase) / Decrease in derivative financial instruments	(43.42)	13.28	(84.49)
(Increase) in trade receivables	(2,807.33)	(3,333.69)	(2,794.14)
(Increase) / Decrease in other financial assets	(1,682.09)	(445.93)	(7,607.16)
(Increase) / Decrease in Inventories	(595.32)	(452.47)	2,165.19
(Increase) / Decrease in non-financial assets	(5,645.91)	503.41	(601.31)
Increase/(Decrease) in trade payables	9,652.67	7,640.94	(4,688.50)
Increase/(Decrease) in other financial liabilities	5,983.17	(2,302.59)	(10,080.63)
Increase/ (Decrease) in provisions	(35.14)	(101.11)	(1.31)
Increase / (Decrease) in other non-financial liabilities	1,045.26	264.84	(225.90)
	<u>5,871.90</u>	<u>1,786.69</u>	<u>(23,918.23)</u>
<b>Cash (used in) operations</b>	<u>11,834.27</u>	<u>10,250.95</u>	<u>(2,088.12)</u>
Taxes paid (net of refunds)	(840.11)	(98.27)	(560.97)
<b>Net Cash (used in) operating activities (A)</b>	<u>10,994.16</u>	<u>10,152.68</u>	<u>(2,649.08)</u>
<b>B Cash flow from investing activities</b>			
Interest income received	1,713.12	642.84	1,249.27
Dividend income received	12.11	5.58	2.11
Fixed deposits (placed) / redeemed and other bank balances	3,654.02	(218.99)	7,391.98
Purchase of property, plant and equipment / other intangible assets	(6,147.95)	(367.70)	(1,674.17)
Sale of property, plant and equipment / other intangible assets	12,467.14	-	2,195.14
Purchase of investments	(800.85)	-	-
Proceeds from sale of investments	634.18	16.37	42.61
	<u>11,531.78</u>	<u>78.10</u>	<u>9,206.93</u>
<b>Net Cash from investing activities (B)</b>	<u>11,531.78</u>	<u>78.10</u>	<u>9,206.93</u>
<b>C Cash flow from financing activities</b>			
Proceeds from rights issue of shares (net)	-	-	28,680.91
Receipt of (loans taken) / loans given (net)	-	-	77,538.00
Proceeds from / (Repayment) of lease liabilities	90,582.64	3,824.51	(13,131.99)
Repayment of borrowings taken (net of repayment)	(9,799.60)	(3,498.83)	(83,433.95)
Interest paid	(99,725.25)	(92.15)	(13,648.62)
Dividend paid	(2,802.03)	(5,869.28)	(992.68)
	<u>(1,346.86)</u>	<u>-</u>	<u>-</u>
<b>Net cash used in financing activities (C)</b>	<u>(23,091.10)</u>	<u>(5,635.74)</u>	<u>(4,988.33)</u>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<u>(565.16)</u>	<u>4,595.04</u>	<u>1,569.52</u>
<b>Cash and cash equivalents at the beginning of the year</b>	<u>2,876.04</u>	<u>1,306.52</u>	<u>1,306.52</u>
Cash and cash equivalent acquired on scheme of arrangement	-	-	-
<b>Cash and cash equivalents at the end of the year</b>	<u>2,310.87</u>	<u>5,901.56</u>	<u>2,876.04</u>
<b>Cash and cash equivalents comprises of:</b>			
Cash on hand	90.12	92.51	93.97
Balance with banks:			
- Current accounts	1,943.73	3,382.49	2,330.41
- Deposit accounts with original maturity of less than three months	183.68	2,323.41	385.95
- Deposit accounts with original maturity of more than 12 months	-	-	-
- Debit balance of cash credit facility	-	-	-
Cheques on hand	93.34	103.15	65.70
<b>Total</b>	<u>2,310.87</u>	<u>5,901.56</u>	<u>2,876.04</u>

**Notes:**

- The above consolidated statement of cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flows.
- Previous year's figures have been regrouped / rearranged wherever necessary, to conform to figures of the current year.





### Segment Results

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of services, the differing risks and returns and the Internal business reporting systems.

S. No.	Particulars	Quarter ended				Six months ended		Year ended
		30th September, 2022 (Unaudited)	30th June, 2022 (Unaudited)	30th September, 2021 (Unaudited)	30th September, 2022 (Unaudited)	30th September, 2021 (Unaudited)		
1	Segment Revenue							
	(a) Media and Communication	24,522.25	23,680.47	27,065.84	48,202.72	51,746.44	1,01,049.70	
	(b) Others	-	-	-	-	-	6,930.25	
	(d) Unallocated	-	-	-	-	-	-	
	Income from Continue operations	24,522.25	23,680.47	27,065.84	48,202.72	51,746.44	1,07,979.95	
	(c) Investments and Treasury (Discontinued)	160.48	(66.39)	43.91	94.09	73.38	(8.98)	
	Income from operations	24,682.73	23,614.08	27,109.75	48,296.81	51,819.82	1,07,970.97	
	Segment Results							
	(a) Media and Communication	(1,213.35)	(429.66)	(240.48)	(1,643.01)	(538.40)	(1,029.58)	
	(b) Others	(14.18)	(21.40)	(16.46)	(35.58)	(32.91)	4,321.91	
	(d) Unallocated	-	-	-	-	-	-	
	Total	(1,227.54)	(451.06)	(256.94)	(1,678.60)	(571.31)	3,292.33	
	(f) Less: Interest Expense	3,467.68	3,703.24	3,568.71	7,170.92	7,100.74	13,612.05	
	Profit / (Loss) before exceptional items and tax (Continue)	(4,695.22)	(4,154.30)	(3,825.65)	(8,849.52)	(7,672.05)	(10,319.72)	
	(c) Investments and Treasury (Discontinued)	160.48	(66.39)	43.91	94.09	73.38	(8.98)	
	Total	(4,534.74)	(4,220.69)	(3,781.73)	(8,755.43)	(7,598.67)	(10,328.70)	
3	Segment Assets							
	(a) Media and Communication	1,67,298.12	1,64,570.81	1,63,305.76	1,67,298.12	1,63,305.76	1,57,052.52	
	(b) Others	1,201.80	1,201.80	3,719.32	1,201.80	3,719.32	1,201.80	
	(c) Investments and Treasury (Discontinued)	-	448.07	625.95	-	625.95	526.17	
	(d) Unallocated	44,900.30	44,310.57	31,151.71	44,900.30	31,151.71	43,663.13	
	Total	2,13,400.23	2,10,531.25	1,98,802.74	2,13,400.23	1,98,802.74	2,02,443.61	
	Segment Liabilities							
	(a) Media and Communication	1,88,276.87	1,79,470.31	1,82,287.53	1,88,276.87	1,82,287.53	1,67,501.63	
	(b) Others	5.73	8.62	-	5.73	-	-	
	(c) Investments and Treasury (Discontinued)	-	-	-	-	-	-	
	(d) Unallocated	362.61	163.26	45.56	362.61	45.56	141.41	
	Total	1,88,645.20	1,79,642.19	1,82,333.09	1,88,645.20	1,82,333.09	1,67,643.04	
5	Capital Employed (Segment Assets - Segment Liabilities)							
	(a) Media and Communication	(20,978.75)	(14,899.50)	(18,981.77)	(20,978.75)	(18,981.77)	(10,449.12)	
	(b) Others	1,196.07	1,193.18	3,719.32	1,196.07	3,719.32	1,201.80	
	(c) Investments and Treasury (Discontinued)	-	448.07	625.95	-	625.95	526.17	
	(d) Unallocated	44,537.69	44,147.31	31,106.15	44,537.69	31,106.15	43,521.72	
	Total	24,755.02	30,889.06	16,469.65	24,755.02	16,469.65	34,800.57	



For NxtDigital Limited  
  
 Amar Chintapanth  
 Whole Time Director and Chief Financial Officer

Place : Mumbai  
 Date : 12th October, 2022

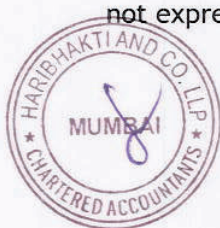


**Independent Auditor's Review Report on quarterly and year to date Unaudited Standalone Financial Results of NXTDIGITAL Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (as amended)**

To the Board of Directors

NXTDIGITAL Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of NXTDIGITAL Limited ("the Company") for the quarter ended September 30, 2022 and for the period from April 01, 2022 to September 30, 2022 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder (hereinafter referred to as "the said Indian Accounting Standard") and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



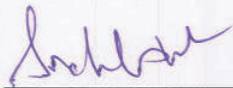


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J B Nagar,  
Andheri (East), Mumbai 400 099

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the said Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No.103523W/W100048



Snehal Shah  
Partner  
Membership No: 048539  
UDIN: 22048539AZKQEN5820  
Place: Mumbai  
Date: October 12, 2022



For S K Patodia & Associates  
Chartered Accountants  
ICAI Firm Registration No. 112723W



Sandeep Mandawewala  
Partner  
Membership No: 117917  
UDIN: 22117917AZLDYf638  
Place: Mumbai  
Date: October 12, 2022





**NXTDIGITAL LIMITED (FORMERLY KNOWN AS HINDUJA VENTURES LIMITED)**

Regd. Office : InCentre, 49/50, MIDC, 12<sup>th</sup> Road, Andheri (E), Mumbai 400 093

CIN: L51900MH1985PLC036896, Website: [www.nxtdigital.co.in](http://www.nxtdigital.co.in), Email ID: [investorgrievances@nxtdigital.in](mailto:investorgrievances@nxtdigital.in)

**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER, 2022**

S. No.	Particulars	Quarter ended			Six months ended		Year ended 31st March, 2022
		30th September, 2022	30th June, 2022	30th September, 2021	30th September, 2022	30th September, 2021	
		(A) (Unaudited)	(B) (Unaudited)	(C) (Unaudited)	(D) (Unaudited)	(E) (Unaudited)	(F) (Audited)
<b>1</b>	<b>Income from operations</b>						
	(a) Revenue from operations	14,063.68	13,792.28	17,324.55	27,855.96	32,683.76	70,171.54
	(b) Other income	903.41	3,629.07	562.69	4,532.48	2,417.14	6,208.21
	<b>Total Income from operations (net)</b>	<b>14,967.08</b>	<b>17,421.35</b>	<b>17,887.24</b>	<b>32,388.43</b>	<b>35,100.90</b>	<b>76,379.75</b>
<b>2</b>	<b>Expenses</b>						
	(a) Purchase of network equipment and traded goods	94.94	337.61	137.02	432.55	357.17	551.44
	(b) Change in inventories of network cable and equipment	(40.19)	(295.52)	(93.75)	(335.71)	(140.68)	2,330.63
	(c) Operational expenses	8,271.68	8,682.60	8,856.69	16,954.28	17,621.29	34,615.30
	(d) Employee benefits expense	1,670.81	1,575.20	1,382.59	3,246.01	2,773.52	5,340.68
	(e) Finance costs	2,855.97	3,182.43	3,112.53	6,038.40	6,115.42	11,808.70
	(f) Depreciation and amortisation expense	4,278.33	4,619.25	4,402.51	8,897.58	8,800.37	17,588.55
	(g) Other expenses	3,470.50	3,130.73	4,177.03	6,601.23	7,900.97	14,686.11
	<b>Total expenses</b>	<b>20,602.04</b>	<b>21,232.30</b>	<b>21,974.62</b>	<b>41,834.34</b>	<b>43,428.06</b>	<b>86,921.41</b>
<b>3</b>	<b>Profit / (Loss) before exceptional items and tax (1-2)</b>	<b>(5,634.95)</b>	<b>(3,810.95)</b>	<b>(4,087.38)</b>	<b>(9,445.90)</b>	<b>(8,327.16)</b>	<b>(10,541.66)</b>
<b>4</b>	Exceptional items - Gain on loss of control	-	-	-	-	-	-
<b>5</b>	<b>Profit / (Loss) before tax from continuing operations</b>	<b>(5,634.95)</b>	<b>(3,810.95)</b>	<b>(4,087.38)</b>	<b>(9,445.90)</b>	<b>(8,327.16)</b>	<b>(10,541.66)</b>
<b>6</b>	<b>Tax expenses (net) of continuing operations</b>						
	(a) Current tax	(454.21)	(234.65)	(526.21)	(688.86)	(981.39)	(6,402.62)
	(b) Deferred tax / (reversal)	(454.21)	(234.65)	(526.21)	(688.86)	(981.39)	(6,402.62)
	<b>Total Tax expenses (net) of continuing operations</b>	<b>(908.42)</b>	<b>(469.30)</b>	<b>(1,052.42)</b>	<b>(1,377.72)</b>	<b>(1,962.78)</b>	<b>(12,805.24)</b>
<b>7</b>	<b>Net Profit / (Loss) after tax from continuing operations (5-6)</b>	<b>(5,180.75)</b>	<b>(3,576.30)</b>	<b>(3,561.17)</b>	<b>(8,757.04)</b>	<b>(7,345.77)</b>	<b>(4,139.04)</b>
<b>8</b>	<b>Profit / (Loss) before tax from discontinued operations</b>	160.48	(66.39)	43.91	94.09	73.38	(8.98)
<b>9</b>	<b>Tax Expense (net) of discontinued operations</b>	18.25	(16.71)	(18.48)	1.54	(18.48)	(2.26)
<b>10</b>	<b>Net Profit / (Loss) after tax from discontinued operations (8-9)</b>	<b>142.23</b>	<b>(49.68)</b>	<b>62.39</b>	<b>92.55</b>	<b>91.86</b>	<b>(6.72)</b>
<b>11</b>	<b>Net Profit / (Loss) for the period (7+10)</b>	<b>(5,038.51)</b>	<b>(3,625.98)</b>	<b>(3,498.78)</b>	<b>(8,664.49)</b>	<b>(7,253.91)</b>	<b>(4,145.76)</b>





12	Other comprehensive income A. Items that will not be reclassified to profit or loss: (Continuing)	-	-	-	-	-	-	-	-	-
	(a) Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income	(56.60)	-	(35.37)	(56.60)	(35.37)	(35.37)	(35.37)	56.27	-
	(b) Re-measurement of defined benefit plans	-	-	-	-	-	-	-	(14.16)	-
	(c) Tax impact on above	(56.60)	-	(35.37)	(56.60)	(35.37)	(35.37)	(35.37)	42.11	(14.16)
	Total of items that will not be reclassified to profit or loss: (Continuing)	(56.60)	-	(35.37)	(56.60)	(35.37)	(35.37)	(35.37)	42.11	(14.16)
	B. Items that will not be reclassified to profit or loss: (Discontinuing)									
	(a) Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income	29.45	(11.70)	5.62	17.75	9.50	9.50	9.50	(7.92)	
	(b) Net Profit / (Loss) on sale of equity instruments through other comprehensive income	-	-	-	-	-	-	-	-	
	(b) Tax impact on above	(4.25)	2.16	4.32	-2.09	4.26	4.26	4.26	2.52	
	Total of items that will not be reclassified to profit or loss: (Discontinuing)	25.20	(9.54)	9.94	15.66	13.76	13.76	13.76	(5.40)	
	C. Items that will be reclassified to profit or loss (continuing):									
	(a) Effective portion of gain / (loss) on hedging instrument in cash flow hedges	(40.83)	15.01	(37.06)	(25.82)	(32.07)	(32.07)	(32.07)	(136.20)	
	(b) Tax impact on above	10.24	(3.78)	9.33	6.46	8.07	8.07	8.07	29.78	
	Total items that will be reclassified to profit or loss (continuing)	(30.59)	11.23	(27.73)	(19.36)	(24.00)	(24.00)	(24.00)	(106.42)	
	Total other comprehensive income / (loss)	(61.99)	1.69	(53.16)	(60.30)	(45.61)	(45.61)	(45.61)	(69.71)	
13	Total comprehensive income / (loss) (11+12)	(5,100.50)	(3,624.29)	(3,551.94)	(8,724.79)	(7,299.52)	(7,299.52)	(7,299.52)	(4,215.47)	
14	Paid-up equity share capital (face value Rs. 10/-)	3,367.17	3,367.17	2,405.12	3,367.17	2,405.12	2,405.12	2,405.12	3,367.17	
15	Reserves excluding Revaluation Reserve								43,525.04	
16	Earnings per share (not annualised) (face value of Rs. 10/- per equity share)									
a.	For continuing operation:									
	Basic (in Rs.)	(15.39)	(10.62)	(14.81)	(26.01)	(30.54)	(30.54)	(30.54)	(15.04)	
	Diluted (in Rs.)	(15.39)	(10.62)	(14.81)	(26.01)	(30.54)	(30.54)	(30.54)	(15.04)	
b.	For discontinued operation:									
	Basic (in Rs.)	0.42	(0.15)	0.26	0.27	0.38	0.38	0.38	(0.02)	
	Diluted (in Rs.)	0.42	(0.15)	0.26	0.27	0.38	0.38	0.38	(0.02)	
c.	For continuing and discontinued									
	Basic (in Rs.)	(14.96)	(10.77)	(14.55)	(25.73)	(30.16)	(30.16)	(30.16)	(15.06)	
	Diluted (in Rs.)	(14.96)	(10.77)	(14.55)	(25.73)	(30.16)	(30.16)	(30.16)	(15.06)	





**Notes :**

1. The above unaudited standalone financial results are prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
2. The above unaudited standalone financial results were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on 12th October, 2022.
3. The Board of Directors of the Company, at their meeting held on February 17, 2022, had, inter-alia, accorded approval to the Demerger of Digital, Media & Communications Business Undertaking alongwith the Investments in its subsidiaries of the Company vide a Draft Scheme of Arrangement between NXTDIGITAL Limited (the "Demerged Company" or "NDL") and Hinduja Global Solutions Limited (the "Resulting Company" or "HGS") and their respective shareholders. The Company has made application to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on February 25, 2022 and February 26, 2022 respectively for seeking their No Objection on the Scheme of Arrangement under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 on proposed Scheme of Arrangement. BSE and NSE vide letter Ref. No. DCS/AMAL/TL/1P/2346/2022-23 dated May 31, 2022 and Ref No.: NSE/LIST/30195\_II dated May 31, 2022 respectively, conveyed their no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.. Subsequently, the Company had filed the Company Scheme Application No. C.A. (CAA) – 155/2022 to Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) on June 9, 2022 seeking approval on the Scheme of Arrangement. After hearing the case, the NCLT vide its Order dated July 29, 2022 has, inter-alia, directed the Company to convene the meeting of Equity Shareholders on September 2, 2022 for their approval on the Scheme. The Equity Shareholders of the Company have approved the Scheme of Arrangement between NXTDIGITAL Limited and Hinduja Global Solutions Limited and their respective shareholders under the provisions of Sections 230-232 and other applicable provisions of the Companies Act, 2013 (Scheme of Arrangement), at their meeting held on September 2, 2022, with more than requisite majority i.e. 99.99% majority. Thereafter, The Company has filed the Company Scheme Petition to the NCLT on September 08, 2022, for sanctioning the Scheme of Arrangement, which was admitted by the NCLT on September 23, 2022 and final hearing is pending. Pending approval of NCLT, no effect has been given in this standalone unaudited financial results.
4. The Board of Directors of the Company at their meeting held on March 16, 2022, has inter alia accorded an in-principle approval for a scheme of arrangement i.e. merger of Hinduja Leyland Finance Limited with the Company. The said scheme/ merger is subject to necessary statutory/ regulatory approvals and approval of shareholders and accordingly, no effect has been given in this standalone unaudited financial results.





**NXTDIGITAL Limited**  
**Statement of assets and liabilities as at 30th September, 2022**  
**(Amount in Rs Lakhs)**

	As At 30th September, 2022	As At 31st March, 2022
<b>ASSETS</b>		
<b>1. Non-current assets</b>		
Property, plant and equipment	42,763.02	51,365.31
Capital work-in-progress	207.46	443.61
Right to use asset	34,638.99	21,751.30
Other intangible assets	7,477.41	7,645.41
Financial assets		
Investments	34,860.49	34,841.05
Other financial assets	1,833.59	5,280.18
Non-Current tax asset (net)	5,622.85	4,921.43
Deferred tax assets (net)	25,285.14	24,599.11
Other non-current assets	3,909.25	3,550.58
<b>Total Non-Current Assets</b>	<b>1,56,598.19</b>	<b>1,54,397.97</b>
<b>2. Current assets</b>		
Inventories	2,327.36	1,991.65
Financial assets		
Investments	-	77.91
Trade receivables	4,759.44	4,819.50
Unbilled receivable	1,899.67	982.41
Cash and cash equivalents	933.07	696.76
Bank balances other than above	523.42	300.14
Other financial assets	92.43	154.49
Financial Assets classified as held for sale	-	526.17
Other current assets	8,009.69	4,379.16
<b>Total Current Assets</b>	<b>18,545.08</b>	<b>13,928.19</b>
<b>Total Assets</b>	<b>1,75,143.27</b>	<b>1,68,326.16</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	3,367.17	3,367.17
Other equity	33,452.64	43,525.04
<b>Total equity</b>	<b>36,819.81</b>	<b>46,892.21</b>
<b>Liabilities</b>		
<b>1. Non-current Liabilities</b>		
Financial liabilities		
Borrowings	11,894.09	13,459.12
Lease hold liability	31,860.43	19,206.58
Provisions	650.66	615.18
Deferred income	37.08	61.44
<b>Total Non-current Liabilities</b>	<b>44,442.26</b>	<b>33,342.32</b>
<b>2. Current Liabilities</b>		
Financial liabilities		
Borrowings	55,113.75	63,266.45
Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises	104.42	113.76
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	17,130.23	12,131.07
Derivatives	-	43.42
Lease hold Liability	4,034.01	4,036.03
Other financial liabilities	13,080.12	5,538.93
Provisions	89.37	79.06
Deferred income	2,517.03	2,308.03
Other current liabilities	1,812.27	574.87
<b>Total Current Liabilities</b>	<b>93,881.20</b>	<b>88,091.63</b>
<b>Total Liabilities</b>	<b>1,38,323.46</b>	<b>1,21,433.95</b>
<b>Total Equity and Liabilities</b>	<b>1,75,143.27</b>	<b>1,68,326.16</b>





Standalone Statement of cash flows for six months ended 30th September, 2022  
(Amount in Rs Lakhs)

Particulars	For the six months ended September 30, 2022		For the six months ended September 30, 2022		Year ended March 31, 20
<b>A Cash Flow from Operating Activities</b>					
Profit / (Loss) before tax from continuing operations		(9,445.90)		(8,327.16)	(10,541.6
Profit / (Loss) before tax from discontinued operations		94.09		73.38	(8.9
<b>Adjustments for:</b>					
Depreciation and amortisation expense	8,897.58		8,800.37	17,588.55	
Net Loss/(Gain) on fair valuation and sale of investments	(31.79)		(80.10)	1.79	
Finance costs	6,038.40		6,115.42	11,808.70	
Interest income	(1,107.05)		(55.65)	(158.21)	
Interest on income-tax refund	-		-	(1.75)	
Dividend income	(5.05)		(1.84)	(2.11)	
Unwinding of security deposits	(53.48)		(11.70)	(40.22)	
Amortisation of security deposits	62.02		12.30	44.30	
Sundry credit balances written back	(1,074.65)		(1,364.07)	(2,866.62)	
Foreign currency fluctuations (net)	-		568.29	14.20	
Bad debts written off/ Provision for doubtful debts	598.70		817.63	1,668.26	
Advances written off	-		137.02	259.75	
Net loss/(profit) on sale/discardment of property, plant and equipment	(911.13)	12,413.55		14,937.67	(921.28)
					27,395.3
<b>Operating Profit before working capital changes</b>		<b>3,061.74</b>		<b>6,683.89</b>	<b>16,844.7</b>
<b>Changes in working capital:</b>					
(Increase)/ Decrease in trade receivables	(538.64)		(1,482.15)	(2,283.88)	
Movement of derivatives (net)	(43.42)		13.28	(84.49)	
(Increase)/ Decrease in inventories	(335.71)		(140.68)	2,330.63	
(Increase)/ Decrease in other financial assets	(1,480.46)		(493.41)	(5,074.28)	
(Increase)/ Decrease in other assets	(3,989.20)		(933.81)	149.09	
(Decrease)/ Increase in trade payables	6,038.65		4,480.41	2,598.49	
(Decrease)/ Increase in provisions	(10.81)		(102.67)	10.47	
(Decrease)/ Increase in other financial liabilities	7,725.83		(2,114.08)	(11,144.41)	
(Decrease)/ Increase in other liabilities	1,236.64	8,602.88	504.87	(268.24)	(1,571.79)
					(15,070.11)
<b>Cash generated from operations</b>		<b>11,664.62</b>		<b>6,415.65</b>	<b>1,774.54</b>
Taxes paid net of refunds		(695.76)		(323.39)	(1,329.60)
<b>Net Cash generated from Operating Activities (A)</b>		<b>10,968.86</b>		<b>6,092.26</b>	<b>444.94</b>
<b>B Cash Flow from Investing Activities</b>					
Interest income	1,107.05		55.65	158.21	
Dividend income	5.05		1.84	2.11	
Payment / (Receipts) towards purchase of property, plant and equipment	(3,690.09)		(2,074.38)	(8,625.71)	
(Increase)/ Decrease in other bank balances	3,840.03		(211.83)	8,052.08	
Proceeds from sale of property, plant and equipment	7,891.93		4,114.87	2,195.14	
Proceeds from sale of investments	634.18	9,788.15	-	1,886.15	-
					1,781.83
<b>Net Cash generated from Investing Activities (B)</b>		<b>9,788.15</b>		<b>1,886.15</b>	<b>1,781.83</b>





**Standalone Statement of cash flows for six months ended 30th September, 2022**  
(Amount in Rs Lakhs)

Particulars	For the six months ended September 30, 2022	For the six months ended September 30, 2022	Year ended March 31, 20
<b>C Cash Flow from Financing Activities</b>			
Proceeds from rights issue (net)	-		28,680.92
Receipt of loans given (net)	44,065.00	4,337.03	77,538.00
Repayment of borrowings taken (net of repayment)	(53,782.73)	-	(88,243.61)
Finance cost	(3,451.09)	(5,239.68)	(11,945.92)
Payment of lease liability	(6,005.02)	(2,918.77)	(7,188.68)
Dividend paid (including unclaimed)	(1,346.86)	-	(892.68)
	(20,520.70)	(3,821.42)	(2,051.9)
<b>Net Cash (used in) / generated from Financing Activities (C)</b>	<b>(20,520.70)</b>	<b>(3,821.42)</b>	<b>(2,051.9)</b>
<b>Net increase /(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>236.31</b>	<b>4,156.98</b>	<b>174.8</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>696.76</b>	<b>521.96</b>	<b>521.9</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>933.07</b>	<b>4,678.94</b>	<b>696.7</b>
<b>Cash and cash equivalents comprises of:</b>			
Cash on hand	4.03	3.39	4.8
Cheques on hand	93.34	43.15	65.7
Balance with banks			
- Current accounts	835.70	2,395.99	325.1
- deposit accounts with original maturity of less than three months	-	2,236.41	301.0
- debit balance of cash credit facility	-	-	-
<b>Total</b>	<b>933.07</b>	<b>4,678.94</b>	<b>696.7</b>





## 5 Segment Results

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of services, the differing risks and returns and the Internal business reporting systems.

S. No.	Particulars	Quarter ended				Six months ended		Year ended	
		30th September, 2022	30th June, 2022	30th September, 2021	30th September, 2022	30th September, 2021	30th September, 2021	31st March, 2022	
		(A) (Unaudited)	(B) (Unaudited)	(C) (Unaudited)	(D) (Unaudited)	(E) (Unaudited)	(F) (Audited)		
1	<b>Segment Revenue</b>								
	(a) Media and Communication	14,063.68	13,792.28	17,324.55	27,855.96	32,683.76		63,241.29	
	(b) Others	-	-	-	-	-		6,930.25	
	(d) Unallocated	-	-	-	-	-		-	
2	<b>Income from Continuing operations</b>	<b>14,063.68</b>	<b>13,792.28</b>	<b>17,324.55</b>	<b>27,855.96</b>	<b>32,683.76</b>		<b>70,171.54</b>	
	(c) Investments and Treasury (Discontinued)	160.48	(66.39)	43.91	94.09	73.38		(8.98)	
	<b>Income from operations</b>	<b>14,224.16</b>	<b>13,725.89</b>	<b>17,368.46</b>	<b>27,950.05</b>	<b>32,757.14</b>		<b>70,162.56</b>	
	<b>Segment Results</b>								
3	(a) Media and Communication	(2,764.80)	(607.12)	(958.38)	(3,371.92)	(2,178.83)		(3,054.87)	
	(b) Others	(14.18)	(21.40)	(16.47)	(35.58)	(32.91)		4,321.91	
	(d) Unallocated	-	-	-	-	-		-	
	<b>Total</b>	<b>(2,778.98)</b>	<b>(628.52)</b>	<b>(974.85)</b>	<b>(3,407.50)</b>	<b>(2,211.74)</b>		<b>1,267.04</b>	
4	(l) Less: Interest Expense	2,855.97	3,182.43	3,112.53	6,038.40	6,115.42		11,808.70	
	<b>Profit / (Loss) before exceptional items and tax (Continuing)</b>	<b>(5,634.95)</b>	<b>(3,810.95)</b>	<b>(4,087.38)</b>	<b>(9,445.90)</b>	<b>(8,327.16)</b>		<b>(10,541.66)</b>	
	(c) Investments and Treasury (Discontinued)	160.48	(66.39)	43.91	94.09	73.38		(8.98)	
	<b>Total</b>	<b>(5,474.47)</b>	<b>(3,877.34)</b>	<b>(4,043.47)</b>	<b>(9,351.81)</b>	<b>(8,253.78)</b>		<b>(10,550.64)</b>	
5	<b>Segment Assets</b>								
	(a) Media and Communication	1,39,512.39	1,39,241.47	1,44,168.19	1,39,512.39	1,44,168.19		1,33,777.75	
	(b) Others	1,201.80	1,201.80	3,719.32	1,201.80	3,719.32		1,201.80	
	(c) Investments and Treasury (Discontinued)	-	448.07	625.95	-	625.95		526.17	
6	(d) Unallocated	34,429.08	33,522.18	23,203.77	34,429.08	23,203.77		32,820.44	
	<b>Total</b>	<b>1,75,143.27</b>	<b>1,74,413.52</b>	<b>1,71,717.23</b>	<b>1,75,143.27</b>	<b>1,71,717.23</b>		<b>1,68,326.16</b>	
	<b>Segment Liabilities</b>								
	(a) Media and Communication	1,37,955.12	1,30,974.47	1,55,651.74	1,37,955.12	1,55,651.74		1,21,292.54	
7	(b) Others	5.73	8.62	-	5.73	-		-	
	(c) Investments and Treasury (Discontinued)	-	-	-	-	-		-	
	(d) Unallocated	362.61	163.26	45.56	362.61	45.56		141.41	
	<b>Total</b>	<b>1,38,323.46</b>	<b>1,31,146.35</b>	<b>1,55,697.30</b>	<b>1,38,323.46</b>	<b>1,55,697.30</b>		<b>1,21,433.95</b>	
8	<b>Capital Employed (Segment Assets - Segment Liabilities)</b>								
	(a) Media and Communication	1,557.27	8,267.00	(11,483.55)	1,557.27	(11,483.55)		12,485.21	
	(b) Others	1,196.07	1,193.18	3,719.32	1,196.07	3,719.32		1,201.80	
	(c) Investments and Treasury (Discontinued)	-	448.07	625.95	-	625.95		526.17	
9	(d) Unallocated	34,066.47	33,358.92	23,158.21	34,066.47	23,158.21		32,679.03	
	<b>Total</b>	<b>36,819.81</b>	<b>43,267.17</b>	<b>16,019.93</b>	<b>36,819.81</b>	<b>16,019.93</b>		<b>46,892.21</b>	

6 Previous quarter/period items are regrouped/reclassified in line with the current quarter/period's presentation, if any.



For Nxt Digital Limited

*Amar Chintapanth*  
Amar Chintapanth

Whole Time Director and Chief Financial Officer



Place : Mumbai  
Date : 12th October, 2022





**ANNEXURE - C**

Private and Confidential

To  
The Board of Directors  
NXT Digital Limited,  
IN CENTRE, 49/50,  
MIDC, 12th Road, Andheri (East),  
Mumbai – 400 093.

**Independent Auditors Certificate on debt obligation servicing capability**

1. This certificate is issued in accordance with the mail dated November 25, 2022.
2. We, S K Patodia and Associates, Chartered Accountants, the Statutory Auditors of NXT Digital Limited ("the Company") having its registered office at the above mentioned address are requested by the Management of the company to certify debt obligation servicing capability of NXT Digital Limited (resultant entity) as on September 30, 2022 pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Management's Responsibility**

3. The management of the Company is responsible for preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes design, implementation and maintenance of internal control relevant to such compliance with the RBI Directions and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
4. The management is also responsible for timely payment of interest and principal repayments of debts. And the Company is capable of payment of interest/ repayment of principal of debts. The responsibility for the preparation of the Draft Scheme and compliance with relevant laws and regulations, including applicable Accounting Standards, is that of the boards of directors of the Company involved.

**Auditors Responsibility**

5. Our responsibility, for the purpose of this certificate, is to provide limited assurance on the debt obligation servicing capability of the company on the basis of our verification of the unaudited books of accounts for the half year ended 30 September 2022 and other relevant records and documents maintained by the company and information and explanations given to us by the company's management.
6. Our audit of the financial statements as referred to in paragraph 2 above, was conducted in accordance with the Standards on Auditing as specified under to in section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain limited assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.



7. We conducted our examination on test check basis in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

9. Based on our examination of the unaudited books of accounts for the half year ended 30 September 2022 and other relevant records of the company provided to us and to the best of our knowledge and according to the information and explanations given to us, nothing has come to our attention that causes us to believe that the NXT Digital Limited (resultant entity) is not capable of payment of interest/ repayment of principal of debts.

**Restriction on Use**

10. Our obligations in respect of this certificate are entirely separate from and our responsibility and liability is in no way changed by, any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing said in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of any financial statements of the Company.
11. This certificate is addressed to the management of the Company and should not be used by any other person or for any other purpose. S K Patodia & Associates neither accepts nor assumes any duty or liability for any other purpose or to any other party to whom our certificate is shown or into whose hands it may come without our prior consent in writing.

Yours Sincerely

For **S K Patodia & Associates**  
Chartered Accountants  
Firm Reg. No.: 112723W

**Sandeep Mandawewala**  
Partner  
Membership No.: 117917  
UDIN: 22117917BFJKVL1653  
Date: November 25, 2022



**STRICTLY CONFIDENTIAL**

November 25, 2022

To,  
 The Board of Directors  
 NxtDigital Limited  
 In Centre, 49/50, MIDC,  
 12th Road, Andheri (East)  
 Mumbai-400093.

To,  
 The Board of Directors  
 Hinduja Leyland Finance Limited  
 Hinduja House, 171,  
 Dr. Annie Besant Road,  
 Worli, Mumbai – 400018

Ladies and Gentlemen:

**Background of the Engagement**

We understand that the Board of Directors of NxtDigital Limited ("**Transferee Company**") is considering the merger by absorption of Hinduja Leyland Finance Limited ("**Transferor Company**") into NxtDigital Limited through a Scheme of Merger by Absorption ("**Scheme**") under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act 2013 (including any statutory modification or re-enactment or amendment thereof), as may be applicable ("**Proposed Merger**").

KPMG Valuation Services LLP ("**KPMG**") bearing registration number IBBI Registration No. IBBI/RV-E/06/2020/115 and SSPA & Co., Chartered Accountants ("**SSPA**") bearing registration number IBBI/RV-E/06/2020/126 (together referred to as "**Valuers**") have each issued a report dated November 25, 2022 (the "**Valuation Reports**") in relation to valuation of the Transferee Company and Transferor Company. Based on our perusal of the Valuation Reports, we understand that it has been proposed that pursuant to the Proposed Merger, the Transferee Company shall issue and allot 25 (Twenty Five Only) fully paid up equity shares of ₹10 each of the Transferee Company for every 10 (Ten Only) fully paid up equity shares ₹10 each of the Transferor Company.

In connection with the aforesaid, and pursuant to an addendum dated November 20, 2022 to the engagement letter dated August 9, 2022, ("**Addendum Engagement Letter**") whereby NxtDigital Limited and Hinduja Leyland Finance Limited (hereinafter collectively referred to as "**Companies**") have engaged Motilal Oswal Investment Advisors Limited ("**MOIAL**"), the Companies wish MOIAL to provide a fairness opinion to the Companies on the share exchange ratio, from a financial point of view, in relation to the Proposed Merger ("**Fairness Opinion**"). This Fairness Opinion is being issued pursuant to the requirements of the SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, titled "*Master Circular on (i)*



*Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957” including amendments thereof.*

## **Background of NxtDigital Limited**

NxtDigital Limited was incorporated on July 18, 1985, as a public limited company under the Companies Act, 1956 in the state of Maharashtra. The CIN of NDL is L51900MH1985PLC036896. The Registered Office of the NDL is situated at In Centre, 49/50, MIDC, 12th Road, Andheri (East) Mumbai-400093. The equity shares of NDL, bearing ISIN INE353A01023 are listed on the BSE Limited and are traded under the scrip code **500189** and the National Stock Exchange of India Limited and are traded under the scrip code NXTDIGITAL.

The Board of Directors of NxtDigital Limited at their meeting on February 17, 2022, approved the demerger of Digital, Media, Communication and Broadband business ("**Demerged Undertaking**") of NxtDigital Limited into Hinduja Global Solutions Limited ("**Resulting Company**") ('hereinafter referred to as "**Proposed Demerger**") through a Scheme of Arrangement between the companies and their respective shareholders pursuant to Sections 230 to 232 read and other applicable provisions of the Companies Act, 2013 subject to requisite approvals.

Post the approval of the Board of Directors of both the Companies, the Demerged Company had made applications with BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") on February 25, 2022 and February 26, 2022 respectively and the Resulting Company had made applications with BSE Limited and National Stock Exchange of India Limited on February 25, 2022 and February 26, 2022 respectively, for seeking in-principle approvals towards the Scheme of Arrangement from both the stock exchanges. BSE and NSE had uploaded the documents pertaining to the Scheme of Arrangement on their respective websites on March 07, 2022 and March 16, 2022 respectively for the purpose of receipt of complaints, if any, from the stakeholders.

The Demerged Company has received Observation Letters issued by BSE vide letter No. DCS/AMAL/TL/IP/2346/2022-23 dated May 31, 2022 and NSE vide letter No. NSE/LIST/30195\_II dated May 31, 2022. Subsequently, the Scheme of Arrangement for the Proposed Demerger was filed with the Hon'ble National Company Law Tribunal, Mumbai Bench ("**NCLT**"), who, through its Order dated July 29, 2022, had, inter-alia, directed to convene the meeting of the Equity Shareholders of the Company on Friday, September 2, 2022. The Proposed Demerger has received the final sanction and approval from the Hon'ble National Company Law Tribunal ("**NCLT**") on November 11, 2022 which resulted in shareholders of NxtDigital Limited receiving shares of Hinduja Global Solutions Limited as of close of business on November 23, 2022 ("**Record Date**"). The Appointed Date for the Scheme is February 1, 2022. We understand that the Valuation Reports



have been prepared considering that the Demerged Business has been transferred for the purposes of arriving at the valuation of NxtDigital Limited.

### **Background of Hinduja Leyland Finance Limited**

Hinduja Leyland Finance Limited is an unlisted public company, incorporated under the provisions of the Companies Act, 1956 on 12th November, 2008 in the State of Tamil Nadu. The Transferor Company was permitted to commence operations as a non-banking financial company ("**NBFC**") under section 45 IA of the Reserve Bank of India Act, 1934, pursuant to a certificate issued by the Reserve Bank of India ("**RBI**") on March 22, 2010. The Transferor Company was originally classified as a systemically important non-deposit accepting non-banking financial company. The Transferor Company was subsequently granted the status of an NBFC-Asset Finance Company by the RBI pursuant to a certificate of registration received on May 12, 2014. At present, the Transferor Company is categorized as investment and credit company. Its CIN number is U65993MH2008PLC384221.

The Transferor Company, along with its subsidiaries, provides retail finance through a wide range of vehicle financing and housing finance products. In its vehicle finance division, it finances a wide range of commercial and personal vehicles, which include medium and heavy commercial vehicles, light commercial vehicles, small commercial vehicles, cars, multiutility vehicles, tippers, three wheelers, and two-wheelers, tractors and construction equipment including used vehicles. The housing finance division focuses on providing finance for housing loans including affordable housing loans. The Transferor Company also offers other services such as transport exchange through its Joint venture with Ashok Leyland in a company, Gro Digital Platforms Limited. It has also incorporated a subsidiary named Hinduja Insurance Broking and Advisory Services Limited through which it intends to offer insurance products, and launched "*Gaadi Mandi*", an ecommerce platform for second hand vehicles, including commercial vehicles.

### **Brief Background of the Scheme of Merger by Absorption**

The Scheme, as approved by the Board of Directors of the Companies is expected to be available on the websites of the Companies as well as the BSE and the NSE. The rationale for the Scheme, as shared with us, by the Board of Directors of the Companies is as follows:

*"The proposed corporate restructuring mechanism by way of a scheme of merger by absorption is beneficial, advantageous and not prejudicial to the interest of the shareholders, creditors and other stakeholders. The proposed amalgamation of Transferor Company into Transferee Company is in consonance with the global corporate restructuring practices which intends and seeks to achieve flexibility and integration of size, scale*



*and financial strength. The Transferor Company and the Transferee Company believe that the financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies of the Transferor Company and the Transferee Company pooled in the merged entity, will lead to increased competitive strength, cost reduction and efficiencies, productivity gains, and logistic advantages, thereby significantly contributing to future growth. Therefore, the management of the Transferor Company and the Transferee Company believe that this Scheme shall benefit the respective companies and other stakeholders of respective companies.*

*There is no adverse effect of Scheme on the directors, key management personnel, shareholders, creditors, other security holders and employees of Transferor Company and Transferee Company. However, the Board of the Transferor Company upon merger shall stand dissolved. The Scheme would be in the best interest of all stakeholders”*

#### **Scope of our review**

For arriving at the opinion set out below, we have, among other things:

1. reviewed the Valuation Reports issued by the Valuers;
2. reviewed the Draft Scheme document;
3. reviewed the audited financial information of the Companies for the year ended March 31, 2022 and Management certified unaudited standalone financial statements of the Companies comprising of balance sheet and profitability statement for 6 months period ended September 30, 2022.
4. reviewed certain historical business and financial information which was publicly available of each of the Companies;
5. reviewed historical stock prices and trading volumes of the Transferee Company on BSE & NSE;
6. reviewed the pre and post shareholding of the Transferor Company for the preferential issue and transfer of shares from the Promoter Group to QIBs.
7. held discussions with the Valuers, in relation to the approach taken to valuation, and the details of the various methodologies utilized by them, including analysis and selection of peers utilised for the market approach to valuation and such other matters which we believed were appropriate for the purposes of preparing the Fairness Opinion;



8. sought relevant information and various clarifications from the respective senior management teams of the relevant Companies; and
9. performed such other financial analysis and considered such other information and factors as we deemed appropriate.

### **Assumptions and Limitations**

In relation to the Fairness Opinion,

1. we had presented our fairness opinion dated August 16, 2022 pursuant to the Proposed Merger. It has been mutually agreed between Hinduja Leyland Finance Limited and NxtDigital Limited that they require an update to the valuation pursuant to the Proposed Transaction and accordingly, a new Fairness Opinion on the valuation report. This final Fairness Opinion shall supersede all previous oral, written, draft or interim advice, or reports and presentations, and no reliance will be placed by you such oral, draft, or interim advice, reports, or presentations other than at your own risk. No such previous versions of the Fairness Opinion should be relied on or used by you for any purpose. As such the Fairness Opinion is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
2. we have assumed and relied upon, without independent verification on an “as is” basis, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the Companies for the purposes of this Fairness Opinion. We express no opinion, and accordingly, accept no responsibility with respect to or for such information, or the assumptions on which it is based, and, we have simply accepted this information on an “as is” basis, and have not verified the accuracy and/ or the completeness of the same from our end;
3. we have made certain assumptions, judgments and estimates during our interactions which we believe are reasonable and appropriate. Given the nature of the assignment, however, no assurances can be given as to the accuracy of any such assumptions, judgments and estimates;
4. It is expressly stated that the basis of the fairness opinion is contingent on the Proposed Demerger culminating in the form and manner that has been proposed in the scheme of demerger;
5. we have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of the Companies and neither express any opinion with respect thereto nor accept any responsibility thereof. We have not made any independent valuation



or appraisal of the assets or liabilities of the Companies, nor have we been furnished with any such appraisals;

6. we have not reviewed any internal management information statements or any non-public reports other than those covered above, and have relied upon information that was publicly available or provided or otherwise made available to us by the Companies on an “as is” basis for the purposes of this Fairness Opinion;
7. we assume no responsibility for the legal, tax, accounting or structuring related matters in relation to the Companies and the Proposed Merger;
8. we have relied on the assessment of the management of the Companies that they have assessed the commercial merits, including that the Proposed Merger is in the best interests of the shareholders of the respective Companies, and we express no opinion on such assessment;
9. we have not independently verified any financial forecasts, business plans or other internal financial analysis relating to the Transferor Company and Transferee Company;
10. we have made no adjustment to the share price of Transferee Company for the purposes of our analysis;
11. we are not experts in the evaluation of litigation or other actual or threatened claims, and accordingly, we have not evaluated any litigation or other actual or threatened claims;
12. we have assumed that there are no other contingent liabilities or circumstances that could materially affect the business or financial prospects of the Companies other than as disclosed by the Companies and to the extent the Companies believe they are likely to materialize and have, to that extent, been adjusted in the valuation;
13. we have also assumed that there has been no material change in the assets and financial condition, results of operations, business, or prospects of the Companies since the date of the most recent financial statements published that have not otherwise been disclosed in the public domain;
14. we understand that the management of the Companies, during our discussion with them, would have drawn our attention to all such information and matters, and would have disclosed such matters to us in a timely manner, which may have an impact on our analysis and opinion;



15. we have assumed that the Proposed Merger will be approved by regulatory authorities and that the Proposed Merger will be consummated substantially in accordance with the terms set forth in the Scheme, and that the final version of the Scheme will not change in any material respect from the draft version we have reviewed for the purpose of this opinion;
16. we have assumed that in the course of obtaining necessary regulatory or other consents or approvals for the Proposed Merger, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the benefits of the Proposed Merger that may have been contemplated; and
17. the Fairness Opinion is provided as on the date and events occurring after the date hereof may affect this Fairness Opinion and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm our opinion.

Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and, on the information, made available to us as of the date hereof.

Our Fairness Opinion does not address nor recommend at all as to the Companies' underlying decision to effect the Proposed Merger or as to how the holders of equity shares or the secured or unsecured creditors of Companies should vote at their respective meetings held in connection with the Proposed Merger.

We do not express and should not be deemed to have expressed any views on any other terms of the Proposed Merger. We also express no opinion, and accordingly, accept no responsibility for or as to the price at which the equity shares of the Transferee Company will trade on the stock exchanges following the announcement of the Proposed Merger or as to the financial performance of the Companies following the consummation of the Proposed Merger. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders/ investors should buy, sell, or hold any stake in the Companies or any of its related parties (holding company/ subsidiary/ associates etc).

#### **Companies' relationship with MOIAL**

We will receive a fee in relation to the delivery of this Fairness Opinion. In addition, the Companies have jointly and severally agreed to indemnify us in relation to our engagement in providing this Fairness Opinion. We were not requested to, and did not, provide advice concerning the structure, the Share Exchange Ratio, or any other aspects of the Proposed Merger or to provide services other than the delivery of this Fairness Opinion. We did not participate in negotiations with respect to the terms of the Proposed Merger and any related transactions.



In the ordinary course of business, MOIAL as well as its affiliates, and their directors, officers, shareholders, employees, representatives, agents, branches, associates, advisors, successors, permitted assigns (the “**Motilal Oswal Group**”) are engaged in, inter alia, providing investment banking services, securities trading, securities brokerage, and investment activities, as well as, providing investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of the Motilal Oswal Group, in relation to the Companies involved in the Proposed Merger, may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or other securities of any of these Companies, and may vote at any general meeting as they deem fit. Further, MOIAL and the Motilal Oswal Group may have, in the past few years have provided, and currently provide, services to the Companies or their affiliates, unrelated to the Proposed Merger, and would have received or expect to receive compensation for such services.

#### **Distribution of the Fairness Opinion and other Limitations**

The Fairness Opinion is addressed to and provided only to the Board of Directors of the respective Companies exclusively in connection to and for the purposes of its evaluation of the fairness of the Share Exchange Ratio, from a financial point of view. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to any other third party without MOIAL’s prior written consent. The Fairness Opinion shall not confer rights or remedies upon, and may not be relied upon or used by, any shareholder or other holders of securities of the Companies, or by any other person, except for the Board of Directors of the respective Companies.

However, the Companies may provide a copy of the Fairness Opinion if requested/ called upon by any regulatory authorities of India subject to the Companies promptly intimating MOIAL in writing about receipt of such request from the regulatory authority.

**This Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove.**

If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then, we will not be liable for any consequences thereof and shall not take any responsibility for the same as the same would have been shared in contravention of the provisions hereof on a “non-recourse” and “non- reliance” basis. Neither this Fairness Opinion nor its contents may be referred to or quoted to/ by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties. In no circumstances, will MOIAL or its management, directors, officers, employees, agents, advisors, representatives, successors, permitted assigns and controlling persons accept any responsibility or liability including any pecuniary or



financial liability to any third party. The Fairness Opinion shall be governed by the laws of India, and with respect to any suit, action or any other proceedings relating to this Fairness Opinion, the courts of competent jurisdiction of India shall have exclusive jurisdiction.

## **Conclusion**

Based on our examination of the Valuation Reports, such other information/ undertakings/ representations provided to us by the Companies, and our independent analysis and evaluation of such information, and subject to the scope limitations as mentioned hereinabove, and to the best of our knowledge and belief, we are of the opinion that the Share Exchange Ratio is fair, from a financial point of view, for the shareholders of the Companies.

For **Motilal Oswal Investment Advisors Limited**

## **Authorised Signatory**

**Name:** Subodh Mallya

**Designation:** Senior Group Vice President

**Place:** Mumbai



**Annexure – E**  
**Terms of NCDs**

S No	Date of allotment	Maturity date of NCD	Terms of redemption	Interest rate per annum	Interest payment frequency	Face value per unit	Units	Amount outstanding as on 30th September 2022 and as on current date	Redemption premium/discount	Credit Rating	Other terms of instruments	Other embedded features/early redemption scenarios, if any
1	5-Jun-20	2-Jun-23	On maturity	9.25%	Annual	10,00,000	2,000	2,00,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
2	15-Dec-20	15-Dec-23	On maturity	8.50%	Annual	10,00,000	2,000	2,00,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
3	30-Dec-20	28-Jun-23	On maturity	8.00%	Bullet	10,00,000	550	55,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
4	14-May-21	14-Feb-23	On maturity	7.95%	Annual	10,00,000	2,500	2,50,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
5	25-May-21	24-Nov-23	On maturity	7.80%	Bullet	10,00,000	1,250	1,25,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
6	29-Sep-21	29-Dec-23	On maturity	7.80%	Annual	10,00,000	500	50,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
7	2-Nov-21	29-Dec-23	On maturity	7.80%	Annual	10,00,000	500	50,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
8	8-Mar-22	8-Mar-24	On maturity	7.45%	Annual	10,00,000	2,000	2,00,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
9	28-Aug-17	28-Aug-24	On maturity	9.40%	Annual	10,00,000	1,000	1,00,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
10	13-Sep-17	13-Sep-24	On maturity	9.20%	Annual	10,00,000	1,000	1,00,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
11	27-Mar-18	27-Mar-25	On maturity	10.15%	Annual	10,00,000	1,000	1,00,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
12	28-Mar-18	28-Sep-23	On maturity	9.50%	Semi-annual	10,00,000	500	50,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
13	18-Sep-18	17-Sep-24	On maturity	9.70%	Bullet	10,00,000	1,500	1,50,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
14	29-Mar-19	29-Sep-24	On maturity	11.60%	Annual	10,00,000	1,000	1,00,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
15	16-Feb-21	18-Aug-26	On maturity	9.75%	Annual	10,00,000	450	45,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
16	8-Mar-21	8-Oct-26	On maturity	9.75%	Annual	10,00,000	550	55,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
17	19-Mar-21	18-Sep-26	On maturity	9.75%	Annual	10,00,000	500	50,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
18	26-Mar-21	25-Sep-26	On maturity	9.75%	Annual	10,00,000	750	75,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
19	22-Apr-21	21-Apr-28	On maturity	9.75%	Annual	10,00,000	500	50,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable
20	30-Apr-21	8-Oct-26	On maturity	9.75%	Annual	10,00,000	500	50,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable



S No	Date of allotment	Maturity date of NCD	Terms of redemption	Interest rate per annum	Interest payment frequency	Face value per unit	Units	Amount outstanding as on 30th September 2022 and as on current date	Redemption premium/discount	Credit Rating	Other terms of instruments	Other embedded features/early redemption scenarios, if any
21	19-Jul-21	19-Jan-27	On maturity	9.70%	Annual	10,00,000	500	50,00,00,000	Not Applicable	AA-	Not Applicable	Not Applicable