# Hinduja Leyland Finance Ltd

Financial Services - NBFC - Vehicle & Housing Finance - Unlisted - ISIN INE146O01014

Ashok Leyland's 61%-owned vehicle lender: Rs 75,468 Cr consolidated AUM, AA+ rated, headed for a BSE listing through its merger into NDL Ventures.

| INDICATIVE PRICE | MARKET CAP | P/E | P/B |
|---|---|---|---|
| Rs 240.45 (+0.96% today) | Rs 13,111 Cr | 15.05 | 1.25 |

| BOOK VALUE / SHARE | EPS | 52-WEEK RANGE | LOT / SETTLEMENT |
|---|---|---|---|
| Rs 192.65 | Rs 15.98 | Rs 212 - Rs 318 | 200 shares - T+1 working day |

## About the company

Hinduja Leyland Finance (HLF) is a Middle Layer, systemically important non-deposit-taking NBFC promoted by Ashok Leyland (61.12%) with Hinduja Automotive (11.13%) and other Hinduja group entities. It finances new and used commercial vehicles, two- and three-wheelers, tractors, cars and construction equipment, extends loans against property and buys out retail portfolios, and leases vehicles (rental income Rs 99.9 Cr in FY26). It operates 335 branches across 22 states and union territories with 2,387 employees, and at 31 March 2026 managed standalone assets of Rs 59,531 Cr (FY25: Rs 47,872 Cr, +24%) after disbursing Rs 28,622 Cr in the year (FY25: Rs 22,163 Cr).

The group is wider than the vehicle book. Wholly owned Hinduja Housing Finance (HHF) runs an affordable-housing and LAP book with total assets of Rs 12,881 Cr and FY26 profit of Rs 386.6 Cr on income of Rs 2,014 Cr; together the consolidated AUM is Rs 75,468 Cr (FY25: Rs 61,692 Cr, +22%). Smaller pieces are Gaadi Mandi Digital Platforms (100%, used-vehicle platform, no revenue yet), the 50% JV Gro Digital Platforms (FY26 loss Rs 16.6 Cr, HLF share Rs 8.3 Cr) and the 45.9% associate HLF Services, a service and sourcing company that HLF paid about Rs 142 Cr in FY26.

FY26 consolidated numbers as filed (audited by ASA & Associates LLP and R Subramanian and Company LLP, joint auditors): total income Rs 8,125 Cr (+29%), finance costs Rs 4,286 Cr, impairment Rs 1,401 Cr (FY25: Rs 652 Cr), profit after tax Rs 871 Cr (+13%), basic EPS Rs 15.98, net worth Rs 10,505 Cr and borrowings Rs 59,008 Cr. Standalone PAT was Rs 490.8 Cr (+20%) on total income Rs 6,112 Cr, EPS Rs 9.00, net worth Rs 8,665 Cr. No dividend was recommended for FY26 and none was paid during the year; profits are retained to fund growth.

## Financials (Rs Cr)

| | FY25 | FY26 |
|---|---|---|
| Revenue | 6,133.75 | 7,866.88 |
| EBITDA | 4,667.20 | 5,576.63 |
| Profit after tax | 773.80 | 871.13 |
| EPS (Rs) | 14.19 | 15.98 |
| Net worth | 8,694.87 | 10,504.83 |
| Debt / equity | 5.28 | 5.62 |
| OPM % | 76.1% | 70.9% |
| ROE % | 8.9% | 8.3% |

Revenue CAGR +28.3% - Profit CAGR +12.6% - figures from filed accounts where available; see the verification notes on the website.

## Shareholding

| Holder | Category | Shares (Cr) | % |
|---|---|---|---|
| Ashok Leyland Ltd (holding company) | Promoter | 33.32 | 61.1% |
| Hinduja Automotive Ltd (promoter group, holding company of Ashok Leyland) | Promoter | 6.07 | 11.1% |
| Hinduja Capital Ltd (formerly Hinduja Power Ltd) | Promoter | 0.25 | 0.5% |
| Abridge Investment Ltd | Foreign | 3.50 | 6.4% |
| Aviator Global Investment Fund | Foreign | 2.85 | 5.2% |
| Elara India Opportunities Fund Ltd | Foreign | 2.60 | 4.8% |
| The Great International Tusker Fund | Foreign | 1.91 | 3.5% |
| Connecor Investment Enterprise Ltd | Foreign | 1.00 | 1.8% |
| LGOF Global Opportunities Ltd | Foreign | 1.00 | 1.8% |
| Afrin Dia | Public | 0.65 | 1.2% |
| Chhatisgarh Investments Ltd | Body Corporate | 0.19 | 0.3% |

| | | | |
|---|---|---|---|
| Other foreign bodies | Foreign | 0.01 | 0.0% |
| Employees (ESOP), resident individuals and other bodies corporate | Public | 1.18 | 2.2% |

## Board and management

| Name | Designation | Since |
|---|---|---|
| Dheeraj G Hinduja | Chairman (Non-Executive, Non-Independent) | 30 Aug 2011 |
| Sachin Pillai | Managing Director & CEO | 11 Feb 2020 |
| Gopal Mahadevan | Non-Executive Director | 11 Feb 2020 |
| G S Sundararajan | Independent Director | 21 May 2019 |
| Manju Agarwal | Independent Director | 05 Jun 2018 |
| Mandeep Maitra | Independent Director | 11 Feb 2020 |
| Sridharan Kesavan | Independent Director | 02 Sept 2025 |
| Kidambi Mani Balaji | Non-Executive Director | 25 Nov 2025 |

## MCA registry snapshot

CIN
**U65993MH2008PLC384221**

STATUS
**Active**

AUTHORISED CAPITAL
**Rs 622.91 Cr**

PAID-UP CAPITAL
**Rs 545.27 Cr**

LAST AGM
**02 Sept 2025**

LAST BALANCE SHEET
**31 Mar 2026**

| Date | Form | Description | Status |
|---|---|---|---|
| 20 May 2026 | AOC-4 XBRL | Audited standalone and consolidated financial statements for FY 2025-2 | Under Process |
| 20 May 2026 | MGT-7 | Annual return for FY 2025-26 | Under Process |
| 25 Nov 2025 | DIR-12 | Appointment of Kidambi Mani Balaji as Non-Executive Director; resignat | Approved |
| 02 Sept 2025 | DIR-12 | Appointment of Sridharan Kesavan as Independent Director; cessation of | Approved |
| 02 Sept 2025 | ADT-1 | Appointment of ASA & Associates LLP as joint statutory auditor (17th A | Approved |
| 25 Nov 2025 | CAA / Scheme filing | Scheme of Merger by Absorption of HLF into NDL Ventures Ltd approved b | Pending |

Original filings (AOC-4 accounts, MGT-7 returns, charges) can be downloaded from the MCA21 portal under this CIN for a nominal fee; offer documents are on SEBI's site.

## Reports and documents

| Document | Type | Period | Where |
|---|---|---|---|
| Annual Report FY 2025-26 (Board's report, governance report, | Annual Report | FY26 | Download on the website |

## Strengths

- Scale and growth: consolidated AUM rose 22% to Rs 75,468 Cr and standalone AUM 24% to Rs 59,531 Cr, with disbursements up 29% to Rs 28,622 Cr; vehicle finance grew 19.6% and LAP 41.8% (Board's report).
- Consistent profitability: consolidated PAT has grown from Rs 774 Cr to Rs 871 Cr and standalone PAT from Rs 408 Cr to Rs 491 Cr; the group adds Rs 174 Cr a year to statutory reserves and has Rs 3,879 Cr of retained earnings.
- Strong funding franchise: Rs 48,960 Cr standalone borrowings spread across term loans from banks (Rs 37,602 Cr), FIs (Rs 3,345 Cr), ECBs (Rs 2,109 Cr), listed NCDs (Rs 1,727 Cr) and subordinated/perpetual debt (Rs 4,177 Cr); bank loans priced 5.71%-9.50%, and Rs 1,270 Cr of undrawn cash-credit lines across 12 banks.
- Credit quality of the ratings: CARE AA+ (Stable, October 2025) and CRISIL AA+ (Stable, January 2026) on bank facilities, NCDs and subordinated debt; A1+ on commercial paper. RBI's FY25 inspection found asset-classification divergence below the reporting threshold and no penalty was levied in FY26 (FY25: Rs 4.9 lakh).
- Captive parent flow with falling dependence: loans against Ashok Leyland products were Rs 10,820 Cr, 22.0% of the standalone portfolio (FY25: 25.0%), so three-quarters of the book is sourced outside the parent.
- Liquidity buffer: consolidated cash, bank balances and fixed deposits of Rs 7,118 Cr (FY25: Rs 3,683 Cr) plus Rs 3,002 Cr of investments; standalone liquidity coverage ratio 233% versus the 100% RBI floor.
- Clean audit record: statutory, secretarial and subsidiary secretarial audits carry no qualification, reservation or adverse remark; no frauds reported under Section 143(12); no SEBI/exchange penalties in the last three years; 100% of equity dematerialised.

## Risks

- Credit cost doubled: standalone impairment on financial assets was Rs 1,227 Cr in FY26 against Rs 526 Cr, about 2.8% of average gross loans; stage-2 loans rose to Rs 4,663 Cr (9.5% of the Rs 49,157 Cr gross book) from Rs 3,403 Cr, and agriculture-linked gross stage-3 is 10.1%.
- Thin returns for the valuation: consolidated return on average equity is about 9% and standalone about 6%; at Rs 231.40 the stock trades on 14.5x consolidated EPS and 25.7x standalone EPS, with no dividend.
- Book value is flattered by fair-value gains: Rs 2,749 Cr of consolidated other equity (26% of net worth) is the FVOCI reserve on loans held for assignment; stripping it out, the board rate is about 1.6x tangible retained book rather than 1.2x.
- High leverage and wholesale funding: borrowings are 5.6x consolidated equity and debt is 82% of standalone assets; operating cash flow was a Rs 9,819 Cr outflow because growth is funded by Rs 12,973 Cr of net fresh borrowing. Tier I capital slipped to 12.49% from 13.59%, so another equity raise before or at listing is likely.
- Merger-dependent liquidity event: the NDL Ventures scheme (25 NDL shares per 10 HLF shares) still needs NCLT sanction and shareholder/creditor meetings; the report gives no timeline. Listing economics will depend on NDL's market price, not on HLF's own book, and HLF investors become minority holders in a listed holding structure.
- Related-party exposure within the Hinduja group: FY25 inter-corporate deposits of Rs 200 Cr to fellow subsidiaries (Hinduja Energy/Hinduja Renewables) and Rs 30 Cr to the Gro Digital JV, Rs 142 Cr of annual service payments to the 45.9%-held associate HLF Services, and vehicle purchases from Switch Mobility for the lease book; all disclosed as arm's length but concentrated in group entities.
- Cyclical and rural borrower base: commercial-vehicle demand tracks freight and infrastructure spending, and the report itself flags a below-normal 2026 monsoon forecast and West Asia fuel-price shocks as risks to rural cash flows.
- Governance notes: the Chairman and a second director are Ashok Leyland executives, the MD earned Rs 6.48 Cr from HLF plus Rs 1 Cr from HHF with a variable payout still to be approved, and directors' commission for FY26 was Rs 3.43 Cr; independent directors are four of eight.

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