

Publication: IPO Central	Edition: Online
Date: April 1, 2016	Page:

### **Hinduja Leyland Finance, CL Educate file IPO papers with SEBI**

Hinduja Leyland Finance (HLF) and CL Educate have filed draft red herring prospectus (DRHP) with capital market regulator SEBI. HLF, the commercial vehicle financing unit of Ashok Leyland Ltd, plans to raise INR500 crore through the public offer which will offer an exit route to its private investors. CL Educate, the company behind test preparation chain Career Launcher and Indus World Schools, plans to sell 46.9 lakh shares, including 26.29 lakh shares by existing investors.

While pricing of both IPOs has not been revealed so far, Hinduja Leyland Finance IPO is likely to mobilize INR700 crore while allowing private equity fund Everstone Capital to offload some shares. Everstone had invested around INR200 crore in HLF in 2013 for 15% equity stake. The IPO will be managed by Axis Capital, ICICI Securities, SBI Capital Markets and Yes Securities.

HLF offers loans for utility vehicles, tractors, cars and two-wheelers with a focus on the semi-urban and rural sector. The company has been a robust performer on the financial front. Revenues rose from INR641.5 crore to INR821.8 crore for FY2013/14 and FY2014/15 respectively. In the same timeframe, net profit increased from INR78 crore to INR111 crore, according to the prospectus.

CL Educate files DRHP again

In a separate development, CL Educate also filed draft papers for its IPO without disclosing how much money it is looking to raise through the public offer. The education-focused player had filed its papers with SEBI earlier in September 2014, before withdrawing in August 2015. At the time of withdrawing its application, CL Educate said it is considering strategic opportunities.

According to the prospectus, IPO proceeds will be used for acquisitions and other strategic initiatives, repayment of loans, to fund working capital requirements and for other general corporate purposes. The issue will be managed by Kotak Mahindra Capital Company and the shares will be listed on the BSE and the NSE.

Link: <http://ipocentral.in/hinduja-leyland-finance-cl-educate-file-ipo-papers-sebi/>